

The Global Newspaper Edited and Published in Paris Printed simultaneously in Paris, London, Zurich, Hong Kong, Singapore, The Hague, Marseille, New York, Rome, Tokyo, Frankfurt.

Herald INTERNATIONAL Tribune

Published With The New York Times and The Washington Post

No. 34,209 8/93

LONDON, TUESDAY, FEBRUARY 23, 1993

ESTABLISHED 1887

Table with exchange rates for various currencies including Australia, Canada, Hong Kong, etc.



FRACAS IN LIVERPOOL — The police dragging a man away Monday from a van carrying two 10-year-old youths accused of killing a 2-year-old Liverpool boy. Page 4.

Clinton to Demand Enforcement of Limits On Airbus Subsidies

By Paul F. Horvitz International Herald Tribune WASHINGTON — President Bill Clinton vowed Monday to seek "tough new discipline" on Europe's subsidies of its Airbus jetliner and to "change the rules of the game" to protect U.S. aerospace jobs.

In a speech to workers at the Boeing Co. near Seattle, Mr. Clinton said that his top trade official, Mickey Kantor, would be "closely monitoring the agreement which was made finally last year with regard to limiting European subsidies to Airbus to allow a level playing field."

That 1992 agreement between Europe and the United States limited government subsidies for the aircraft industries on both sides of the Atlantic, but there have been conflicting reports about whether the White House planned to reopen the agreement. Mr. Clinton's comments Monday, while not specific about his intentions, indicated that the United States might interpret the new agreement strictly.

"We'll be seeking tough new discipline on those subsidies, both in our attempts to get an agreement on the General Agreement on Trade, as well as the specific aircraft code," Mr. Clinton said. "You know, I've seen these agreements made for years. I've seen people promise they'd do this, that, and the other thing, and then nothing ever happens."

Later he added: "A lot of that has to do with the fact that other nations follow targeted strategies of partnerships to pierce markets which you had dominated under a free-market system but with which you could not compete if Europe subsidized Airbus to the tune of \$26 billion, for example."

Many Boeing layoffs, he said, "would not have been announced had it not been for the \$26 billion that the United States sat by and let Europe plow into Airbus over the last several years."

"So we're going to try to change the rules of the game," he said. Earlier Monday, Mr. Clinton, calling for "a partnership with the private sector," pushed his economic plan in California's Silicon Valley and unveiled a multibillion-dollar program of tax incentives to encourage high-technology research.

The program also calls for changes in antitrust laws to permit "joint production ventures," the White House said, and would expand a Commerce Department program that provides matching grants for industry-led research and development consortiums.

The centerpiece of Mr. Clinton's high-technology program would make permanent the government's research and experimentation tax credit for businesses. The credit would be retroactive to 1992 and would cost the Treasury \$6 billion over the next four years.

The initiative also includes efforts to encourage creation of an advanced "clean" automobile, for developing new energy conservation technology and for creation of regional centers to give smaller businesses access to advanced technology like supercomputers. It would transform an existing military advanced research agency to a civilian agency and seeks to help build a national information "superhighway."

The national data link would give researchers and businesses access to a vast amount of information and, said Vice President Al Gore, permit schoolchildren to "plug into a digital library" at home rather than amusing themselves with Nintendo after school.

Mr. Gore, who has taken the lead in technology issues at the White House, announced the initiative to employees of Silicon Graphics, a computer company in Mountain View, California. He and the president toured the company before flying to Seattle.

The high-technology initiative is already built into the \$168 billion Mr. Clinton wants to spend over the next four years for "investment" projects aimed at creating higher-wage jobs. About \$50 million would be spent immediately under the president's short-term stimulus package.

Japan Feels Pain in Call For Yen's Rise

By Steven Brull International Herald Tribune TOKYO — With its economy in recession and its currency at a record high against the dollar, the last thing Japan wants now is a sharp run-up in the value of the yen.

Major car and electronics exporters, their profits in decline because of the sluggish domestic market, would see their competitiveness and profit margins eroded further overseas. As the pressure filtered back home, Japan's job market would weaken further, consumption would fall and — to the chagrin of its American and European partners — the trade surplus would swell in the short term.

"The Japanese economy is still in bad shape," said Masaru Takagi, chief economist at the Fuji Research Institute. "If the yen rises further it's a double negative and the U.S. won't be able to export so many products to Japan."

In the long run, though, economists agree a stronger yen would work to the advantage of Japan and the rest of the world. It would increase Japanese imports by making them cheaper, and spur another wave of foreign direct investment that would create growth and jobs overseas, especially in Southeast Asia. It also would make Japanese companies fiercer competitors.

A stronger yen would boost the financial and industrial competitiveness of Japan in the long term, Mr. Takagi said. "Japanese companies would have to overcome it by becoming more efficient."

Speculation that the Group of Seven industrial nations will try to trim Japan's trade surplus by agreeing to boost the yen at their meeting Saturday in London has caused the Japanese currency to rise more than 6 percent against the dollar in the past two weeks.

On Monday, the dollar closed in Tokyo at a record low of 116.85 yen. It fell further to close at 116.35 in New York, down from 118.32 Friday. Two weeks ago, it stood at 124.30 yen.

It's uncertain, however, how long the yen's strength will last. Economists note that in addition to speculative trading, the yen is being boosted by the repatriation of funds by Japanese companies seeking any cushion they can find for what is expected to be the third straight year of declining profits in the period ending March 31. If anything, fundamentals point to a weakening of the yen later this year, as the American recovery puts upward pressure on U.S. interest rates.

Prime Minister Kiichi Miyazawa and other officials also have been trying to slow the yen's appreciation, expressing concerns over the pace of the recent gains. The Bank of Japan governor, Yasushi Mieno, has hinted that the central bank would intervene if the currency rose too rapidly.

The yen's surge on Monday hit the Tokyo stock market, where the Nikkei index fell 189.42 points to 16,820.61. Japanese government bond prices jumped, with the yield on the benchmark 10-year bond dropping below 4 percent for the first time since July 1987. Japan's trade surplus, which soared to a

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UN Votes to Set Up Balkan War Crimes Court

By Julia Preston Washington Post Service UNITED NATIONS, New York — The Security Council voted unanimously Monday to establish a special international tribunal to try war crimes committed since 1991 in the fighting in the former Yugoslavia.

It is the first time the United Nations has set up a court to prosecute crimes against humanity, and the first globally mandated forum to prosecute such crimes since the Nuremberg trials after World War II.

Voting on a French proposal, the council asked Secretary-General Boutros Boutros Ghali to prepare a report within 60 days detailing the specific structure and procedures of the tribunal.

"There is an echo in this chamber today. The Nuremberg principles have been reaffirmed," said the U.S. ambassador, Madeleine K. Albright. "The lesson that we are all accountable to international law may finally have taken hold in our collective memory." Mrs. Albright added, "This will be no victor's tribunal," in a reference to charges raised at the

time of the Nuremberg trials that they administered only the justice of the allies who triumphed in the war.

United Nations diplomats hoped their vote would deter atrocities as the war continues. But establishment of the court and its rules for operation are months away, and Bosnia's UN ambassador cast doubt on whether war crimes would stop.

"We should not kid ourselves that war criminals are going to be deterred by just the establishment of a tribunal," said Mohammed Sacirbey, the Bosnian envoy.

Fighting in the former Yugoslavia has been accompanied by accounts of mass killings, rapes, torture, ethnic cleansing — the mass expulsions of rival ethnic groups — and detention centers reminiscent of Nazi concentration camps.

Council diplomats said they expected the new tribunal, an ad hoc body limited to covering only former Yugoslavia, can be set up without time-consuming disputes because international laws governing war crimes have

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Peace and Rain Give Mozambicans Cause for Hope

By Bill Keller New York Times Service TETE, Mozambique — On a continent of withered promise, where country after country has defeated recent dreams of creating civil order out of chronic chaos, Mozambique has unexpectedly emerged as a candidate for an African success story.

When a cease-fire was signed in October, few expected it to end this country's savagely indiscriminate 16-year war, but it has held for months. A ruthless drought that had aid donors touting Mozambique as the next Somalia has been broken by queching rains, and the country is carpeted with corn.

Here in the fertile northwest, refugees who fled the insurgent Mozambique National Resistance Movement, or Renamo, are streaming home from border camps in Malawi and rebuilding

the cane huts burned by the rebels. In other regions, food and medicine are reaching villagers isolated for many years behind guerrilla battle lines.

"We've got a combination of peace and rain, which there hasn't been in Mozambique for a quarter of a century," said Arthur M. Hussey 3d, coordinator of relief deliveries for CARE.

Mozambicans from President Joaquim Chissano down to the resettled peasants and dormant warriors describe a universal weariness with war. Foreign donors and diplomats speak of Mozambique with an optimism that surprises them, as a place where the West's post-Cold War ambition of playing midwife to new democracies stands a chance of being fulfilled.

The greatest danger now to Mozambique's tranquility, almost everyone agrees, is Mozambique's tranquility.

Lacking scenes of carnage and starvation to disturb Western television audiences, Mozambique is having trouble competing for attention with Somalia and the Balkans.

As a result, the dispatch of United Nations peacekeeping troops — which is a prerequisite for disarming the rivals, merging them into a new national army and moving toward elections — has fallen far behind schedule.

Some fear that the cease-fire faces a serious test in March, when the new crop comes in and Renamo, which was drawn to the peace table in part by hunger, is no longer dependent on foreign handouts.

"Delay is a big danger, of course," Mr. Chissano said in an interview in Maputo, the capital. "The soldiers and the Ren-

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New Delhi Girds For Rally of Angry Hindus

By Edward A. Gargan New York Times Service NEW DELHI — India's capital was a city under siege Monday as it braced for an enormous demonstration by Hindu fundamentalists, which is scheduled for Thursday and has been banned by the government.

Fears of violent confrontations between fervent Hindu militants and the police are sweeping New Delhi even as security forces try to seal the city off from the rest of India.

Hindu leaders were being rounded up by the police; trains pulling into the city's three stations were being checked for Hindu protesters, and the roads into the city were sealed to motor caravans of Hindu activists.

Along Raj Path, the huge grassy esplanade and boulevard leading to the looming red sandstone government buildings, workers hammered giant wooden beams into the asphalt and began laying metal pipe barriers across roadways. Groups of green-uniformed police wielding long bamboo staves idled in the shade of plane trees.

For weeks, Hindu political leaders have been promising that more than a million of their supporters would descend on the capital in an effort to bring down the government of Prime Minister P. V. Narasimha Rao. By staging a massive protest outside Parliament, the Hindu leaders said that they would force Mr. Rao to call for new national elections, which they hope will catapult them to power.

But Mr. Rao, under pressure from colleagues in his ruling Congress (I) Party who have said the protest would degenerate into violence, has outlawed the demonstration and flooded the city with police and paramilitary troops. The city with police and paramilitary troops. The political opposition, the Bharatiya Janata Party, has said that the protest will go ahead despite the ban.

"The point is," said Mr. Rao, in an interview, "in an atmosphere which is surcharged with communal feelings, tensions, you cannot take this risk. It is that simple." L.K. Advani, the leader of the opposition in Parliament, denounced the government for banning the rally and staged a three-hour sit-in banning the rally and staged a three-hour sit-in of fellow opposition lawmakers on the lawns of the circular, pillared Parliament building. The

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U.S. Names Chief For Aid to Russia

WASHINGTON (Reuters) — The United States appointed a coordinator of U.S. aid to the former Soviet Union on Monday, soon after the current coordinator said President Boris N. Yeltsin's days in power were numbered.

The new coordinator is Thomas W. Simons Jr., the U.S. ambassador to Poland, a State Department spokesman said. Mr. Simons will replace Richard L. Armitage, a Bush administration appointee who is likely to stay in office until April or May.

The Clinton administration has sought to distance itself from recent comments by Mr. Armitage in which he said he expected Mr. Yeltsin to be ousted before his presidential term ends in 1996.

When asked whether Mr. Armitage's remarks had hastened Mr. Simons' appointment, Mr. Snyder said the administration had been working for a month on appointing a new coordinator, who will work for Strobe Talbott, President Bill Clinton's designated ambassador-at-large to the Commonwealth of Independent States.

Mr. Simons, a career diplomat, has served as director of the State Department's office of Soviet Union affairs and as deputy assistant secretary of state for European affairs.

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NO MORE QUESTIONS — President Bill Clinton and Secretary of State Christopher D. Romano signaling to reporters Monday at news conference with Secretary of State Christopher. Page 4.

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Business/Finance Virgin Atlantic gave British Airways a deadline for reparations. Page 11. China fever appears to be waning on the Hong Kong stock market. Page 15. Crossword Page 18. Weather Page 18.

In the New Russia, It's Traveler Beware

By Margaret Shapiro Washington Post Service MOSCOW — Travelers in the former Soviet republics fortify themselves with a certain black humor, a competition to top the latest tale of the worst hotel (in Armenia, with mice in the bed and mushrooms on the walls), the most delayed flight (out of Khabarovsk, where passengers waited after a week of waiting), and the most bizarre in-flight conditions (snowdrifts in an unheated cabin).

This is one of the ironies of life here: Just when it became possible to go anywhere in the old Soviet orbit, the process of traveling has become so grim as to make one almost long for the days of stony-faced Soviet guides.

Travel was never luxurious here, even in the empire's heyday. But airplanes hewed to a rough schedule, visa regulations did not change daily, hotels for foreigners provided heat and hot water, and one was not forced to share a taxi ride with a gun-toting ethnic warrior in full battle gear.

Now, with the Soviet superpower splintered, local wars flaring and economic and political chaos taking their toll, even basic comforts can no longer be counted on. Moscow's busy Domodedovo Airport provides a case study. Flights are delayed for days at a time — by lack of fuel, bad weather, warfare at the other end or simply unknowable causes — and the delays are so frequent that the airport's grimy, poorly lit corridors are filled with exhausted families camping out and waiting, blankets spread on the muddy tiles, diapers and undershirts hanging out to dry.

Explicitly, departures may be announced and passengers hurriedly herded onto a frigid, dilapidated bus — only to find, at a distant corner of the airfield, a darkened plane still covered with snow and ice, without stairways or a flight crew. If the passengers are lucky, they are then returned to the "waiting lounge"; often, though, they must simply huddle beneath the ghostly jet or walk back to the terminal, dodging

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Italy's Corruption Scandal Ensnares 2 Fiat Officials Arrests Buffet Government and Stocks

By Alan Cowell New York Times Service ROME — Magistrates investigating Italy's growing bribery scandal arrested two high-ranking Fiat executives on Monday, buffeting the stock market and bringing a yearlong probe into official corruption closer to the auto giant that symbolizes the country's private business sector.

The turbulence on the Milan stock exchange, in turn, presented new headaches for the beleaguered administration of Prime Minister Giuliano Amato, who is desperately seeking some show of market confidence after a weekend cabinet reshuffle caused by the resignation of three ministers in connection with the corruption scandal.

The arrest in Turin of Fiat SpA's finance director, Francesco Paolo Mattioli, and Antonio Mosconi, head of the group's insurance arm, Toro Assicurazioni, shocked many financial analysts, since Mr. Mattioli in particular is viewed as a key figure in the conglomerate's hierarchy.

He is close to the chief executive officer, Cesare Romiti, the trusted side of the president, Gianni Agnelli.

A statement from Fiat's Turin headquarters shortly after the arrests registered "deep astonishment" and expressed "complete solidarity and the absolute conviction that the two managers, who have always carried out their duties with the utmost uprightness and diligence, will readily demonstrate their noninvolvement in any circumstances attributed to them."

Both men were arrested in connection with purported misdoings in a Fiat construction subsidiary, Cogefar-Impresit, of which Mr. Mattioli is chairman.

He also has a string of other positions in Fiat's sprawling domain. Mr. Mosconi is a former vice chairman of the company.

For the past year, magistrates in Milan have been unraveling a bribery scandal of epic proportions involving hundreds of politicians and office-holders accused of trading public works contracts for bribes used to bankroll political parties.

Estimates of the amount of money to change hands over the years run into billions of dollars. Accusations of Fiat's involvement first surfaced last year when magistrates arrested Enzo Papi, a director of Cogefar-Impresit, in connection with bribes purportedly paid to the dominant Christian Democratic Party in return for a contract for a Milan subway.

The contract was also said to have provided for other Fiat subsidiaries to act as suppliers of commercial vehicles, rail tracks and subway cars. Mr. Papi had been implicated by Maurizio Prada, a former Christian Democratic party boss in Milan, who told magistrates earlier this month that bribes worth more than \$1 million had been paid to his party during negotiations on the contract. Moreover, according to Italian news reports, Mr. Prada also implicated Mr. Mattioli and Mr. Mosconi, who were interrogated by the Milan

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For All the Talk, West Remains Wary on Bosnia Force

By Craig R. Whitney
New York Times Service

BONN — Since Yugoslavia began to collapse in 1991, it has been clear that the European allies would not back a concerted Western military effort to stop the fighting unless the United States was willing to lead one.

Earlier this month, the Clinton administration signaled greater willingness than its predecessor to get involved in the search for a diplomatic settlement acceptable to all the warring parties, and agreed to commit troops to help enforce it.

But despite saber-rattling at the United Nations and elsewhere, President Bill Clinton so far has shown no more sign than President George Bush of being prepared to use American military muscle to try to actually make peace in the Balkans, and the Europeans are not really edging closer to a force either.

A British Foreign Office spokeswoman on Monday welcomed Mr. Clinton's remarks over the weekend indicating that he was considering the possibility of airdrops of supplies to Muslim areas under siege by Serbian forces in eastern Bosnia-Herzegovina.

The remarks, she said, were a sign that the Americans were "considering increased involvement in delivering humanitarian aid to Bosnia."

More than 12,000 European troops, with sizable contingents from Britain and France, are already so involved. But officials in Paris, Brussels, and London said that the United States had not asked Britain, France, or the North Atlantic Treaty Organization to join an airdrop operation.

"There is no great enthusiasm for this at all," a British Defense Ministry official said.

Europeans, like Americans, are outraged at the horrors they see nightly on their television screens, and for much of the past year most of them have held Serbian forces responsible for the worst of the violence.

But fear of being drawn into a deadly conflict they do not believe is of their own making has made European governments chary of sending troops into the Balkans in a peacemaking role, or of other actions — like airdrops — that might start them down

the slippery slope of involvement in hostilities.

Opinion polls in Britain and France have shown varying degrees of support for the abstract notion of intervention, but as soon as British and French casualties in the Balkan peacekeeping force began to rise earlier this year, political leaders stopped suggesting that more troops should be sent in.

A French Foreign Ministry official said that public opinion polls in France had shown that 60 percent to 70 percent of those asked were in favor of military intervention to stop the fighting, but suggested that they might not realize what this really meant.

"The way the questions in the polls are formulated is unfortunately not very precise," the official said.

A majority of Germans — whose news media and political leaders have repeatedly and graphically depicted alleged Serbian atrocities against the Muslims in Bosnia — still polling organizations that they do not believe German troops could be useful in the Balkans because of Nazi atrocities committed there in World War II.

At bottom, most European leaders appear to feel that vicious and incomprehensible ethnic conflicts in the Balkans are too complex and dangerous to try to settle by armed intervention, and their electorates have gone along with them.

Instead, the Europeans hope that the threat of international war-crimes tribunals and tighter economic sanctions will force the factions to lay down their weapons and accept a negotiated agreement.

Both the British and French governments have committed thousands of troops to UN peacekeeping forces, but they are worried about the possibility that more active measures, such as NATO air strikes against Serbian positions in Bosnia, could make their soldiers hostage to the fighting.

The main additional Western military option discussed so far, the enforcement of the ban on Serbian military flights over Bosnia, seems bound to lead to new tensions within the NATO alliance.

Moscow — NATO would provide the planes to enforce it.

But the government of Germany, the most powerful European NATO ally, is so badly divided over whether its soldiers could participate in such a mission, even indirectly, that some diplomats believe the coalition in Bonn could collapse over the issue.

This could happen if the subject came to a head before the country's 1949 constitution was revised to provide explicit authority for the Germans to join international peacekeeping missions beyond their borders.

As bloody as the crisis in the Balkans is, it is also unlikely to achieve top priority at a time when every major NATO government, including the United States, is more preoccupied with domestic problems, particularly economic ones.

The only thing that could change that is if the worst happens and the fighting spills over and involves Greece, Bulgaria, Albania and possibly even Russia, where President Boris N. Yeltsin's increasingly assertive parliamentary opposition supports the Serbs.

WORLD BRIEFS

Tank Leaks Chemicals in Frankfurt

FRANKFURT (AP) — A leak from an overpressured tank spilled about 10 tons of mildly poisonous chemicals into the air early Monday, spreading them over a wide area in Frankfurt, officials said.

People affected by the leak at the Hoechst AG plant in Griesheim were warned not to let children play outside and not to use garden plants for food. The Frankfurt fire department said about 300,000 square meters (75 acres) of land in the Schwabenheim and Griesheim suburbs of Frankfurt, including a stretch of the Main River, were coated with the chemicals.

The leak of a mix of ortho-nitroanisole, chloromirobenzol and menthol at about 4:30 A.M. occurred when too much pressure built up in a tank, investigators said. A safety valve on the tank opened, spewing out a cloud that settled back to the ground in a powdery residue.

Yeltsin Attacks Military Hard-Liners

MOSCOW (Reuters) — President Boris N. Yeltsin said Monday that there were forces in Russia hoping to drag the military into politics, and he appealed to the armed services to act as guardians of stability.

In an interview on the eve of Armed Forces Day, Mr. Yeltsin attacked those who, he said, "shamelessly assume for themselves the title of Great Patriot" and defame others. "I consider this foul and irresponsible," he said.

His comments appeared to be aimed at hard-line nationalists, including radical groups in the armed forces, who accuse the president of betraying Russia as a great power.

Woman Loses Court Bid for Embryos

WASHINGTON (Reuters) — The U.S. Supreme Court, stepping into a precedent-setting legal battle, rejected an appeal Monday from a divorced woman who wanted control over seven frozen embryos that she and her former husband conceived four years ago.

The justices let stand a ruling by the Tennessee Supreme Court granting control of the embryos to the clinic where they were conceived in vitro, but leaving the question of their subsequent disposition unresolved.

The high court upheld the right of the man to prevent his former wife from using or donating the embryos. The action brings to an end a highly publicized legal battle between Mary Sue Davis Stowe and her former husband, Junior Lewis Davis. The Tennessee court had held that the state's interest in the potential life of the embryos was not sufficient to force the man to become a parent, overriding his constitutional privacy rights.

Angolan Peace Talks Set for Friday

LUANDA, Angola (Reuters) — Peace talks between the government and the rebel movement UNITA have been scheduled for Friday, and the first objective will be a cease-fire in the renewed civil war, a UN official said Monday.

"It is only with a cease-fire that it will be possible to save the traumatized population," a spokesman for Margaret Anstee, a UN representative, said. The United Nations announced the talks, which are to be held in Addis Ababa, Ethiopia, as government troops fought their way toward Huambo, a besieged city in central Angola.

The government and UNITA — the National Union for the Total Independence of Angola — had fought each other for 16 years, after independence from Portugal in 1975, until they signed a peace agreement in Lisbon in May 1991. That agreement collapsed when the UNITA leader, Jonas Savimbi, refused to accept his defeat in UN-supervised elections in September 1992.

TRAVEL UPDATE

France's 2-week-old mail strike appeared to be petering out Monday. The postal service said that only 4 percent of Paris's 19,000 mail employees were on strike, and that letter carriers in the 18th and 9th arrondissements — where stoppages first began Feb. 8 — were the only holdouts. One of the six unions representing postal workers, the CGT, said strikes were continuing in Marseille and Le Havre. The CGT also said it had filed papers for a new nationwide strike on Wednesday and Thursday, but the union has received lukewarm support from other unions.

French farmers blocked rail traffic around the country on Monday in protests over the government's stance in world trade talks. The state-run railway, SNCF, said trains were canceled or delayed in Paris, Tours, Chartres, Orleans, Toulouse and other cities.

About a million revelers in Germany's Rhine Valley celebrated Rose Monday, the peak of the Carnival season, with parades and other events. But the authorities said attendance at the festivities, which were constrained in Cologne, Dusseldorf and Mainz, was lower this year because of cold weather and snow flurries.

Avalanches have closed roads in northern Iran, stranding hundreds of vehicles and cutting off about 30 villages, Tehran radio reported. Snowslides were reported on a mountain road linking Karaj, about 30 kilometers west of Tehran, to Chalus on the Caspian Sea.

TRAVEL: A Hard Russian Road

(Continued from page 1) airline schedules bear little resemblance to reality. Dozens of scheduled routes are no longer flown.

Hotels, too, are not for the faint-hearted. A few top-quality hotels exist in Moscow, St. Petersburg and a handful of other cities, but conditions elsewhere can only be described as very basic.

In Chechnia, for instance, the hotel kitchen recently provided bits of what appeared to be week-old chicken. In Yakutsk, the diamond capital of Russia, the hotel dining room was closed days on end for cleaning, and there was no obvious place to eat.

No place, however, can compete with hotels in Armenia, where fuel blockade has left the country without heat, water, electricity and telephone service. Just six months ago, it was enough to bring a few bottles of water, a small plug-in immersion heater to make coffee, one's room and a willingness to wait for the few hours a day of electricity to take a cold shower.

Flush the toilet — both possible only when electric pumps are operating.

Today, travelers must equi themselves with flashlights, boxes of matches and candles, to fire their way at night in Armenia's main tourist hotel, a massive marble structure that has become, nonetheless, a home. No money, no electricity, no heat. To keep warm at night, they must sleep under eight heavy blankets and wear a heavy coat. They must not expect any respite when morning comes, because there is no heat or hot water without electricity. Savvy travelers carry Sterno.

Boycott Over, Aid Rolls Into Sarajevo

Compiled by Our Staff From Dispatches

SARAJEVO, Bosnia-Herzegovina — Food and medical supplies began flowing into Sarajevo again Monday after the city's authorities lifted their 10-day protest boycott of United Nations aid.

UN planes had already started landing at the airport before the formal announcement by political leaders that aid would be accepted.

Flights had been suspended because supplies had piled up at the airport during the boycott. But trucks began shifting some of the 1,000 tons of supplies into the city center through the heaviest snow of the winter.

The city council mounted the protest because UN aid was not getting through to 100,000 Muslims cut off by rebel Serbs in eastern Bosnia.

Although the Muslim-led Bosnian government said Saturday that the boycott was over, the authorities in Sarajevo waited until the Serbs allowed a UN road convoy to reach the Muslim settlement of Zepa.

A second UN convoy, due to set out on Monday from Belgrade for the Muslim-held town of Gorazde, was postponed for a day at the request of the Serbs.

They said tensions were high after the mass funeral of 38 Serbian soldiers killed by Muslims close to the convoy's route and the security of the UN trucks could not be guaranteed.

Serbian officials said most of the soldiers were captured alive before they were killed.

Radovan Karadzic, the leader of the Bosnian Serbs, said Monday that there was no need for U.S. airdrops of relief supplies to Muslims, a move being considered by President Bill Clinton.

"There is no need for parachute drops," Mr. Karadzic said. "There have been hundreds of convoys through Serb territory."

He added: "If they want to play games with their parachutes, that is their affair. But don't American taxpayers care what is done with their money?"

Mr. Karadzic said that his self-proclaimed Serbian Republic of Bosnia planned to send a delegation to peace talks in New York, but that he would not be heading it.

Mr. Karadzic said the team would be led by Vice President Nikola Koljivic and the Bosnian Serb parliamentary president, Momcilo Krajisnik.

Mr. Krajisnik told the Belgrade-based news agency Tanjug that the U.S. authorities had created difficulties for Mr. Karadzic in the past and that he had obligations at home. Last week Mr. Karadzic asked for the talks to be moved from New York to Geneva.

In another development, military sources in Paris said French UN forces in Bosnia had been equipped with new weaponry including anti-aircraft and anti-tank missiles.



Mourners at a mass funeral Monday in Zvornik, northeastern Bosnia, for 38 Serbian soldiers said to have been killed by Muslims.

CRIMES: UN Council Votes Unanimously to Set Up Yugoslav Tribunal

(Continued from page 1)

been extensively codified in the four decades since Nuremberg.

In a Feb. 10 report based on the findings of a five-member experts' commission he empaneled, Mr. Butros Ghali told the Council that "grave breaches" had been committed in the vicious feud between Muslim, Serbian and Croatian ethnic groups in Bosnia-Herzegovina and Croatia.

One of the first crimes the tribunal will investigate was the disappearance of hundreds of Croatian and Muslim patients and medical staff from a hospital in Vukovar, Croatia, that was forcibly evacuated by Serbian gunmen in November 1992.

UN-sponsored forensic investigators from the Boston-based group Physicians for Human Rights concluded after partially examining a

grave site near Vukovar that a mass execution had occurred and more than 200 bodies were buried there. The tribunal will also investigate reports of the systematic rapes by Serbian soldiers of Bosnian Muslim women.

Although it will be some months before formal judicial proceedings will begin, the Security Council described the tribunal as a deterrent to new crimes in the war.

"This warning should be given to those who perpetrated these horrendous crimes, that they will be held accountable," said Russia's UN ambassador, Yuli M. Voronov.

UN and international human rights observers, while cautioning that crimes have been committed by all sides, have laid the blame for the great majority of the atrocities on Serbian factions.

Under the Bush administration, former Secretary of State Lawrence S. Eagleburger singled out President Slobodan Milosevic of Serbia and the leader of the Bosnian Serbs, Radovan Karadzic, among other Serbian leaders and commanders as figures who should be investigated for war crimes.

Mr. Karadzic, who leads the Serbian delegation to peace talks here, has vehemently opposed any tribunal set up only for the Balkans conflict.

"It is a dangerous procedure, open to abuses," he said in a recent interview.

Mrs. Albright said that the vote on the tribunal was not intended to discourage Mr. Karadzic from attending UN-sponsored peace talks.

On Berlin Council, a Lone Foreign Voice

By Stephen Kinzer
New York Times Service

BERLIN — The thousands of men and women who hold elective office in Germany are a tremendously varied group, emerging from backgrounds rich and poor and ranging in ideology from Marxist to crypto-fascist. With perhaps a single exception, however, all have one thing in common: They were born in Germany.

That exception — and he believes there are no others — is Ismail Hakki Kosan. He says he is the only foreign-born citizen who has successfully challenged the unspoken taboo against nonnative politicians.

From a remote Kurdish village in eastern Turkey, he has risen to membership in the Berlin City Council.

"Ismail has the hardest job of any of us," said a fellow councilor, Eckhardt Barthel. "People expect a great deal from him. Other politicians watch him much more closely than they watch someone like me."

Despite the fact that Germany is a magnet for emigrants and asylum-seekers from all over the world, many people here still insist that this is "not an immigration country." Foreign-born politicians

are accepted in many countries, but in Germany Mr. Kosan is still a curiosity.

When he appeared in the legislative chamber for the first time, guards suspected his identification card was false. His dark curls and swarthy complexion give him an appearance quite apart.

As he promised in his campaign, Mr. Kosan has devoted most of his time on the council to issues relating to foreigners. In his maiden speech in September, which he delivered only days after rightist thugs laid siege to a hostel for asylum-seekers in Rostock, he warned that racist attacks posed a danger to German democracy.

"Once before," he recalled, "a disoriented generation of young Germans took up the cries of 'Germany Awake!' and 'Death to Jews!' Now we are hearing echoes of that time. A new disoriented generation must not be allowed to endanger the German democracy that we have worked so hard to build."

Mr. Kosan, who is married to a German, was born in an Anatolian village that had only three houses. His parents were once sentenced to death for their sympathy with

Kurdish movements, but the sentence was suspended and they were instead deported from their native region. In 1948, after 10 years of exile, they were allowed to return, and in that year Ismail was born.

Growing up in the shadow of rightist repression, Mr. Kosan developed sympathy for liberal ideas. Among his idols was Senator Robert F. Kennedy, and after finishing high school he wrote to Mr. Kennedy, asking help in obtaining a scholarship to study in the United States.

He received an encouraging reply, but after Robert Kennedy's assassination he decided to apply to schools in Germany, where there is a large Turkish minority.

In 1969 he was admitted to an engineering school in Berlin, and after only a few months he was won election to head the citywide association of Turkish students. To support himself he cleaned toilets, washed dishes and worked as a construction laborer. Later he worked for a German lawyer who represented foreign clients.

Like many foreigners here, Mr. Kosan had continual problems with his residence visa. But because he had become an active member of the Green Party, he was connected to politicians who were able to help him obtain German citizenship in 1990. Later that year, the Greens nominated him to run for the City Council.

The Green Party is traditionally sympathetic to foreigners, but nevertheless Mr. Kosan had to overcome resistance to his candidacy from within the party.

"With any other party it might

be impossible for someone born abroad to become a candidate, but even with the Greens it isn't easy," he said. "They like the idea of a foreigner running on their ticket, but some of them didn't want me. People whom I supplied with ideas for years didn't want to give me a chance to present these ideas myself."

Partly because of fears that he would not submit to party discipline, Mr. Kosan was assigned to the 15th place on the Green ticket for City Council, lower than he had hoped. Berliners vote for the party of their choice rather than for individuals, and in 1990 the Greens won only enough votes to place 12 candidates in the 241-member council. But three winning candidates later gave up their mandates, and in August Mr. Kosan was sworn in.

The Green Party hopes to re-enter the legislature in 1994, and Mr. Kosan said he had not ruled out the possibility of running. But he is also in touch with Social Democratic politicians in Turkey, and he may pursue his political career there. Under Turkish law, a Turk retains his citizenship even after taking citizenship in another country.

"Nationality is not important," he said. "I don't consider myself a Turkish councilor, but a human being who wants to work in politics and happens to live in Berlin. If I had gone to America I would have done the same thing. I accept this society. Whether it accepts me is another matter."

France Expels Mafia Suspect

GRENOBLE, France — The government has expelled to Italy a Sicilian accused of forming a Mafia cell in the Alpine city of Grenoble, the Interior Ministry said. Giacomo Pagano, 58, was handed over to the Italian police.

Clinton's economic program

Continued world trade friction

Airlift to Bosnia

The Japanese trade surplus

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★ POLITICAL NOTES ★

Washington Lobbyists in Holding Pattern

WASHINGTON — Understand, please, that Tom Donohue, the president and preeminent lobbyist for the American Trucking Associations and its 4,000 members, does not actually oppose President Bill Clinton's package of tax increases and deficit reductions. Not even its tax on energy sources, including the diesel fuel that is the truckers' lifeblood.

"People want Bill Clinton to succeed," he said. "We're not going to fight it. We're just going to work with Congress to assure that it is fair."

Washington's lobbyists are starting to talk, and suddenly the town has a serious echo problem.

Mr. Clinton wants to cut low-interest federal loans to rural electric utilities. "Our guys will take their fair share, with the emphasis on the word 'fair,'" says a spokeswoman for the National Rural Electric Cooperatives Association representing 1,000 utilities and 25 million customers. "We want them to look at the subsidies the rest of the utility industry gets."

Mr. Clinton wants to stimulate the economy, which could increase mortgage rates, and he wants to scale back guaranteed benefits like the low-interest home loans for veterans. "Deficit reduction is something we feel strongly about," says the chief lobbyist for the National Association of Realtors with its 800,000 members. "The question is not having it apply disproportionately to real estate."

"Not that we don't expect to pay our fair share," he adds. (NYT)

Aspin is 'Clearly Improved,' Doctors Say

WASHINGTON — Defense Secretary Les Aspin was reported on Monday to be "clearly improved" after being hospitalized late Sunday for shortness of breath attributed to a "mild pre-existing heart condition," the Pentagon said.

A statement released at the Pentagon said Mr. Aspin's physicians at Georgetown University Hospital had examined him and found him "to be clearly improved."

The Pentagon did not identify Mr. Aspin's physicians, nor did it say how long he was expected to remain hospitalized. He was admitted Sunday night with symptoms that were triggered by a "fever caused by a series of immunizations," an earlier Pentagon statement said. The shots were given on Saturday in preparation for a trip abroad, that statement said. It was not immediately clear whether the hospitalization would affect those travel plans.

Mr. Aspin's spokesman, Vernon Guidry, said the secretary was conscious and "in possession of his faculties." Mr. Aspin, 54, has had a history of heart problems. (AP)

From Fund-Raising to Ambassadorship?

WASHINGTON — The word from a knowledgeable source is that Pamela Harriman, a leading Democratic fund-raiser, is a "done deal" to be the next U.S. ambassador to France. Despite her lack of a college degree, Mrs. Harriman, British-born wife of the late W. Averell Harriman, certainly meets the traditional qualifications for the job — tight political connections and major campaign contributions. And what of Secretary of State Warren M. Christopher's edict that ambassadorial posts not be rewards to major campaign contributors? (WPT)

Quote / Unquote

Vice President Al Gore, when asked about Republican criticism of the Clinton economic plan: "Some of the critics have a lot of nerve, presiding over the quadrupling of the national debt and using smoke and mirrors for a dozen years and now attempting to prevent progress out of the nightmare that they helped create." (AP)

Away From Politics

● Governor Mario M. Cuomo of New York has nominated Judith Kaye, 54, a state appeals judge, to become New York's first woman chief justice. If she is confirmed by the Republican-controlled state Senate, Judge Kaye will lead the Court of Appeals, New York's top tribunal.

● Cigarette smoking may raise a person's risk of leukemia by 30 percent and may cause about 14 percent of adult leukemia cases in the United States, scientists report in the current issue of the Archives of Internal Medicine. That would mean perhaps 3,600 cases a year, said researchers, who pooled results from 15 studies that included more than 4.5 million people. The study was written by Ross Brownson, director of chronic disease prevention at the Missouri Department of Health in Columbia, Thomas Novotny of the University of California, Berkeley and Michael Perry of the University of Missouri School of Medicine in Columbia.

● The New York Post has obtained a major new investor — Abraham Hirschfeld, a multimillionaire real-estate developer, who has invested \$3 million in The Post and will become chairman of the board.

● A Chicago Transit Authority train rear-ended another that had stopped in a tunnel Sunday, the first day the trains were running along a new route, authorities said. Thirty-five people were hurt.

● The graphic anti-homosexual video "The Gay Agenda," which was widely distributed in Congress and the Pentagon during the recent debate over homosexuals in the military, was produced at a small fundamentalist church in Lancaster, California, Antelope Valley Springs of Life Ministries. The church reordained the television evangelist Jim Bakker after a scandal involving his ministry; he preached his last sermons there before entering prison. (AP, NYT, LAT)



President Clinton laughing at a computer animation sequence in a studio of Silicon Graphics in Mountain View, California, on Monday. Before flying to Seattle, he and Mr. Gore toured the company, and the vice president detailed the technology initiative to employees.

He's Like Lincoln and 'Talks to People'

By William Booth

MIAMI BEACH — Adele Lapin and her friend and neighbor Ann Chorover did not watch President Bill Clinton address Congress last week. They went to the opera. When you're 83 and 91, respectively, and live on a fixed income in a tough neighborhood, you go to "Tosca" when you get the chance.

This is not to say that they did not hear Mr. Clinton's speech or the voluminous commentary on it. By Thursday morning, they had watched the late-evening news broadcast, the public-affairs discussion program "Nightline," Cable News Network and the news and entertainment program "Good Morning America." They could quote lines from the speech.

Ms. Lapin and Ms. Chorover are representatives of a subculture still quietly thriving in southern Florida: ethnic, urban, retired working-class people. Many were born in Europe, many are Jewish, and many are liberals or, in a few cases, socialists.

To say Ms. Lapin and Ms. Chorover liked Mr. Clinton's words is like saying they are

sweet little old ladies — it is not enough. There is more to it than that.

"He talks to the people," Ms. Lapin said. "That means more to me than anything, more than Roosevelt, more than Kennedy. He knows he's got to work with the real people who make up this country. He's a people's president. Put that in the newspaper."

Ms. Lapin has seen a lot of the world in 83 years. Born in Ukraine, she remembers World War I. She emigrated to the United States in 1920, became a nurse and worked in the Bronx borough of New York City for most of her life. She lives in a small apartment crowded with old books, record albums and photographs in the shadow of the beachfront condominiums of Miami Beach, but on a side street where sounds of gunfire and sirens are not uncommon.

Ms. Lapin lives on her Social Security, small savings and pension. One of her largest expenses is the insurance that many elderly people buy to cover the difference between what Medicare, the government's health insurance program, pays and what hospitals and doctors charge.

"I have an apartment," she said. "I eat. If I can go out and listen to music now and then, I feel like a rich person. I can pay a little bit more. I can help the president if they would only let him do what he needs to do."

Ms. Lapin said she believed that the budget deficit Mr. Clinton inherited was bigger than his Republican predecessors had said it was. She also said she was not angry with him for breaking campaign promises about the middle class and taxes.

She was more interested in what the president said about jobs, education, the environment and investment — and it was like a Puccini aria to her.

"I think he could be a Lincoln," Ms. Lapin said of Mr. Clinton. "I think he could be a great one."

The prospect of slightly higher electric bills under Mr. Clinton's energy-tax program does not bother her. Ms. Lapin and Ms. Chorover both said the well-to-do can also afford increased taxes.

Taxes vs. Cuts: A Political Numbers Game

By Steven Greenhouse

WASHINGTON — Much of the congressional battle about President Bill Clinton's economic package could come down to a duel over math: the ratio of proposed tax increases to proposed spending cuts.

Republican mathematicians attack the president's plan as a tax-and-spend scheme, asserting that it includes \$1.75 to \$18 in tax increases for every dollar in spending cuts. Mr. Clinton's calculators respond that it is a prudent, balanced plan, with one dollar in revenue tax increases for each dollar in spending cuts.

Which side is right? The answer, in the never-never land of American politics, is that both are, depending on how one cuts the deck, what time period is used and how one defines what is a spending cut and what is a tax increase.

Although both sides' arguments include some haze and fudge, a few things are clear. In proposing to cut the 1997 budget deficit by \$140 billion, the Clinton administration has fallen short of its goal of cutting two dollars in spending for every dollar in tax increases. As for the Republicans, while they insist that more spending cuts are in order, they have yet to supply the details.

Leon E. Panetta, the White House budget

director, says the administration has proposed \$246 billion in revenue increases and \$247 billion in spending cuts from the fiscal years 1994 to 1997. That, of course, produces a 1-to-1 ratio.

Not so fast, the Republicans say. Those are gross numbers, calculated before the administration includes its \$169 billion "investment" plan, which aims to improve education and job training and highways and other public works. Administration officials say this \$169 billion should not be looked at as just another type of spending that will be frittered away; they say it is investment in building a more productive economy.

The plan includes \$109 billion in increased spending from 1994 to 1997, and \$60 billion in tax incentives — reduced taxes for corporations to encourage them to expand and invest. Once those numbers are factored in, there are \$138 billion in net spending cuts and \$186 billion in net tax increases. That produces a ratio one dollar in spending cuts for each \$1.35 in tax increases.

"That is 76 cents in cuts for every \$1 in taxes, and I don't know how that's going to help the American economy," said Senator Pete V. Domenici, Republican of New Mexico. But some Republicans say the picture is far worse. They assert that the administration is pulling another fast one by counting its proposal to tax 85

percent of Social Security benefits, up from 50 percent currently, as a spending cut rather than a tax increase.

The administration counters that the Social Security change, which would save \$21 billion over four years, should be counted as a benefit or spending cut because the government is merely taking away with one hand some of what it gave with the other. A decade ago President Ronald Reagan called his decision to tax Social Security benefits a benefit cutback, the Democrats note, and the Republicans did not quarrel with that classification.

Regardless of who is right, if this \$21 billion is counted as a tax increase, as the Republicans contend, then the administration is proposing \$207 in net revenue increases and \$117 billion in net spending cuts. That produces a ratio of one dollar in spending cuts for each \$1.77 in revenue increases.

Defending the administration, Mr. Panetta argues that it is fairer either to look at the whole package over four years or to look at it when all the spending cuts and tax increases are phased in. That means 1997. Counting Social Security changes as a spending cut, he notes that for fiscal year 1997 the plan calls for \$112 billion in spending cuts and \$83 billion in revenue increases. That translates into 74 cents in tax increases for every dollar in spending cuts.

Universal Care? Health Advisers Have Big Doubts

By Dana Priest

WASHINGTON — President Bill Clinton's advisers have told him that it is virtually impossible to provide health care to all Americans anytime soon if he wants to finance such a move by using savings from overhauling the system, as he promised in his campaign.

Mr. Clinton could either delay universal coverage until 1997, after his term ends, or begin to provide it now and count on an increase in government spending of up to \$175 billion over the next four years.

Even if new health plan is passed at the end of 1993, the plan "will generate savings no sooner than 1997," according to a confidential 83-page report by the administration's health transition team. "Even limited expansions in coverage before 1997 would require new revenue."

Mr. Clinton said repeatedly during the campaign that his plan, which relies on a combination of government regulation and competition, could finance universal health care with the savings generated by comprehensive health care overhaul.

His transition team, however, told him at a meeting last month that it would cost \$175 billion over the next four years to insure the 37 million unprotected Americans as the overhaul takes place.

To avoid the additional cost, he could wait to provide universal coverage until 1997, when the changes are producing significant savings.

Another option, they said, is to use a combination of new government spending — about \$105 billion over four years — and price controls to begin to cover the uninsured immediately, with everyone having coverage by 1997.

Under this scenario, Mr. Clinton would have to get authority from Congress to "declare a national emergency and bring in across-the-board price controls" on private health care prices, the report states.

The document was prepared by 16 members of the health transition team and presented to Mr. Clinton at a meeting in Little Rock, Arkansas, in mid-January.

Since then, the major authors of the report — Judith Feder, Atul Gawande and Kenneth Thorpe — have moved into top positions at the Department of Health and Human Services to work on the health care overhaul proposal that Mr. Clinton plans to present to Congress in May.

Just how much savings could be generated in the short run from the health proposal was the source of considerable disagreement among Mr. Clinton's advisers during the campaign and has continued to be contentious.

Some top advisers — notably a senior White House adviser, Ira Magaziner — were reportedly disappointed at the costs outlined in the report.

But a subsequent memorandum from Mr. Magaziner to members of the President's Task Force on National Health Care Reform showed that the team's original cost calculations have been generally accepted as a starting point for drafting legislation.

In that memorandum, dated Jan. 29, Mr. Magaziner stated: "Depending on definitions and program structure, universal access

could mean \$30 billion or \$90 billion of additional annual expenditure by the government by 1997."

Advisers pointed out that as a candidate, Mr. Clinton purposefully never specified when he believed that universal access could be achieved.

They point out that Mr. Clinton, who was comfortable and articulate in discussing health policy, offered far more details about his proposal than is normal during a campaign.

"They just said they would pay for it through savings, they didn't

'Even limited expansions in coverage before 1997 would require new revenue.'

Clinton advisers' report

say how," said one adviser. "That's fine, that's what it is."

Health care reform was a cornerstone of the Clinton campaign. He argued then, and still does, that revitalizing the national economy cannot be achieved unless some of the \$930 billion spent in the United States each year on health care can be redirected into more productive uses.

Cost control is also crucial to harnessing the federal deficit, Mr. Clinton has said. Federal spending on health care, principally Medicare and Medicaid, is expected to account for 50 percent of the increase in the federal deficit over the next four years.

But although he has indicated his strong desire to control health costs, covering the uninsured will be expensive.

Most of the options laid out by Mr. Clinton's advisers recommend phasing in a mandate that employers provide their workers with coverage.

Such a mandate will take care of some of the uninsured — those with jobs — but the government will have to cover the rest.

"It doesn't matter who you do to the health care system," said John F. Shells, vice president of Lewin-VHL, a management consultant at the Department of Health and Human Services to work on the health care overhaul proposal that Mr. Clinton plans to present to Congress in May.

"You'll never get the cost of insurance low enough so that you don't have to subsidize some people."

The Clinton transition team was explicit about the expense in its report.

To provide universal coverage would require the government to increase its Medicaid payments by \$16 billion over four years and spend \$84 billion more to subsidize the working poor — individuals and families with incomes at or no more than twice the poverty line.

To lighten the burden on the smallest firms that employ low-wage workers, Mr. Clinton promised to provide tax credits and other subsidies, which the team calculated would add \$26 billion more in expenses. It would cost an additional \$30 billion to keep Mr. Clinton's campaign pledge to include prescription drugs in a basic benefit package and another \$21 billion for other government subsidies.

Jean Lecanuet, a Pioneer in French Politics, Dies

Compiled by Our Staff From Dispatches

PARIS — Jean Lecanuet, 72, a senator, longtime mayor of Rouen and a founder of France's important centrist political force, died of cancer Monday, his aides said.

Mr. Lecanuet, who died at his home in Neuilly-sur-Seine, a Paris suburb, served as justice minister in the government of Prime Minister Jacques Chirac in 1974, then as minister for territorial management in the succeeding government of Raymond Barre.

He also served for years as a senator or deputy in the National Assembly.

The mayor of Rouen, in Normandy, since 1968, he also held numerous regional posts.

He was a senator at his death and had been re-elected in October as the president of the Foreign Affairs and Defense Commission of the French Senate.

But his most lasting political contribution was his work to create a centrist force between the right and left, a "third force" that he correctly predicted 25 years ago would play a major role in French political life.

When barely known, Mr. Lecanuet presented himself as the "candidate of the center, a social democrat and European" in the presidential election in 1965.

Mr. Lecanuet, who was called the "French Kennedy" for his per-

sonal style of campaigning and his dazzling smile, attracted 15.8 percent of the vote in the first round of that election.

Though this placed him only third among six candidates, it forced de Gaulle, the founder of the Fifth Republic, into a runoff with François Mitterrand, the Socialist candidate, and helped establish centristism in French politics.

Mr. Lecanuet headed successive centrist movements starting in 1963, when he presided over the Popular Republican Movement.

He headed the Center for Social Democrats from 1976 to 1982 and the Union for French Democracy from 1978 to 1988.

Mr. Lecanuet was a vigorous supporter of the Treaty on European Union and campaigned for ratification of the treaty by France in a referendum in September.

Mr. Lecanuet, who had a doctorate in philosophy, was a member of the Roman Catholic resistance during World War II and was arrested by the Germans in 1944. (AP, AFP)

Joshua Cox, 12, a handicapped boy who attended inauguration ceremonies last month in Washington at the invitation of Vice President Al Gore's wife, Tipper, as one of 50 "Faces of Hope," died Saturday from complications of pneumonia in Akron, Ohio.

Harvey Kertzman, 68, a cartoonist and historian of pop culture who helped found Mad magazine and was a guiding force at several other satirical publications, died Sunday from complications of liver cancer at his home in Mount Vernon, New York.

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Melee at U.K. Murder Hearing

2 Boys' Arraignment Draws Angry Crowd

By William E. Schmidt
New York Times Service

LIVERPOOL.—Shouting abuse and wrestling with police officers, a crowd of angry protesters rushed police vans carrying two 10-year-old boys away from a Liverpool courthouse Monday after their arraignment on charges of murder and kidnapping in the brutal death of a toddler.

Six people were arrested as a result of the brief melee, the latest episode of public fury here since James Bulger, 2, disappeared from his mother's side at a downtown shopping center on Feb. 12 and was later spotted on security cameras being led away by two unidentified boys. His battered body was discovered two days later beside a railroad embankment.

A crowd of more than 200 people, many of them men and women from the Liverpool neighborhood where the Bulger family lives, were on hand when the police vans pulled away from the courthouse. Two men pounded on the sides of the vans with their fists before they were pushed aside by the police.

The crowds dispersed peacefully moments after the brief disturbance, while local clergymen and politicians made public appeals for calm. "James's family have called repeatedly for calm," said George Howarth, a local member of Parliament. "They want dignity, not a circus."

The two boys, whose identities are kept secret by law, made a six-minute appearance inside the South Sefton Youth Court. The police filed formal charges Saturday accusing the youngsters of murder and abduction in the death of the Bulger boy, and the attempted abduction of another toddler the same day.

They are among the youngest children ever to be charged with murder in Britain. Under British law, a child as young as 10 can be tried for murder or manslaughter, if prosecutors believe he or she is capable of distinguishing between right and wrong.

Although the public was barred from the courtroom, reporters admitted for part of the hearing said the boys showed no obvious signs of nervousness or distress. One youth was accompanied by his father and a lawyer; the second by a lawyer and a social worker. They glanced at one another on occasion, and spoke only to confirm their ages and identities.

A court officer later remanded them to the custody of local officials, who are keeping them in an undisclosed location pending further court action.

MOZAMBIQUE: Emerging African Success Story

(Continued from page 1)

amo fighters are in the countryside with their arms in hand. They are doing almost nothing, they are waiting to be fed. They can get annoyed."

Aldo Ajello, the UN special representative in Mozambique, said he hoped the demobilization of the rival forces could begin in April. The country's first elections, once planned for October, are tentatively scheduled for June or July of 1994.

Mr. Ajello said his superiors in New York, who have more than enough troops volunteered for policing duty in Somalia, have had trouble finding countries interested in dispatching peacekeepers to Mozambique. The reason, he said, were obvious: "Nobody is dying. Nobody is starving. We are not on CNN."

Of Mozambique's 15 million people, it is estimated that up to a million died in the war, that 1.5 million fled to squalid refugee camps in a half-dozen neighboring

countries and that perhaps 3 million more were driven from their villages into overcrowded towns and cities.

Over the last two years, the misery was compounded by southern Africa's worst drought of the century.

When Mr. Chissano and the rebel leader Afonso Dhlakama signed their peace accord in October after two years of international pressure, there was little confidence that either man could deliver what he promised.

Renamo was widely regarded as an uncontrollable gang of young thugs, and government soldiers were badly demoralized, prone to looting sprees and occasional terrorism. Anarchy seemed the more probable fate of this hungry and gun-saturated land.

The most immediate sign of normality is that Mozambique, long paralyzed, is moving.

Relief workers who relied on remote landing strips for their deliveries in Renamo areas now dispatch aid convoys on the highways.

Diplomats and journalists who had hunkered down in Maputo now explore the country by road. Sun worshippers mosey up the coast from Maputo for the more secluded Indian Ocean beaches.

Cities that had swollen with hungry and fearful people are now spilling their crowds back into the countryside, and those trapped for years behind Renamo lines have been allowed to leave, emerging with malnutrition, disease and tales of terror.

But among the civilians brutalized by the war, there is a lack of vengeance that is astonishing to an outsider. Some educated Mozambicans attribute it to fatalism, others to the ancient southern African tradition that vanquished enemies are incorporated into the tribe, and still others to a talent for postponing vengeance.

Perhaps it is simply fatigue with a war that people say made no sense to them. Time and again, victims shrugged off their suffering, blaming not Renamo or the government but "the war."



Enjoying a Place in the Indian Sun

Chancellor Helmut Kohl of Germany relaxing in New Delhi at the end of a four-day visit, before leaving for Singapore on Monday. Earlier, he had said that even if Britain and Denmark failed to ratify the Treaty on European Union, the other 10 EC nations would proceed with unity plans.

INDIA: New Delhi Braces for Rally of Angry Hindus

(Continued from page 1)

government, he said, "wants to use state power to gag and stifle the Bharatiya Janata Party."

And Murli Manohar Joshi, the president of the Bharatiya Janata Party, accused the government of stifling democratic rights by preventing the demonstration.

Since hordes of Hindu extremists demolished a 16th century mosque in December in the northern holy town of Ayodhya, Hindu leaders have stepped up their pressure on the Congress government, believing that a ground swell of public opinion has shifted toward the Hindu movement.

The destruction of the mosque was followed by weeks of bloodshed as Muslims exploded in rage in towns and cities around India, and were frequently fired upon by the police. And last month, in a sustained nine-day attack on the

Muslims of Bombay, crowds of young Hindu fanatics belonging to a group called Shiv Sena systematically firebombed Muslim homes and businesses, killing more than 600 Muslims.

On Monday, the people of Delhi were becoming more cautious in their movements, unsure of what will happen in the coming days, and especially Thursday. The government's principal spokesman, S. Narendra, estimated that 500,000 Hindu activists had already entered the city.

At the checkpoints leading into the city, the police were stopping cars and buses and questioning their occupants. But for this protest, unlike previous ones, activists are not arriving in waves, wearing saffron headbands and waving saffron flags, and the police said there was little to distinguish between

protesters and normal visitors to the city.

Many here agreed that huge numbers of Hindu activists were already in the city. "These BJP supporters are now hiding out at the temples," said Rajendra Dass Mathur, a management consultant who lives in the capital's southern suburbs. Like an increasing number of people, Mr. Mathur said he intended to remain at home Thursday.

"I'm going to stay at home, and we have been advised by others in the neighborhood not to take any risks by going on the road. There is always a stray chance that a handful of people could create trouble. So why take the chance?"

The delegates' stand on the eve of their first talks here with Mr. Christopher was similar to a similar, but more flexible position that had been taken Sunday by the hunched Palestinians themselves. But there is a big difference between the two groups.

The deportees are flatly opposed to peace talks with Israel, and are

Beirut Set for Talks, Christopher Says

Reuters

BEIRUT—Warren M. Christopher, the first U.S. secretary of state to visit Beirut in nearly a decade, said Monday that the Lebanese government had assured him that it wanted Middle East peace talks to resume soon.

After 75 minutes of talks with President Elias Hrawi, Prime Minister Rafik Hariri and Foreign Minister Paris Bouze at the heavily guarded Defense Ministry on the eastern edge of the Lebanese capital, Mr. Christopher said he had heard from the Lebanese leaders that they agree with other Middle Eastern leaders "that there should be an early return to the negotiations and parties should return to the table as soon as possible."

Asked at a news conference what he could have achieved during such brief talks, Mr. Christopher said, "a commitment from the Lebanese government to resume negotiations as soon as possible."

Mr. Christopher spent two hours and 20 minutes in Lebanon before flying back to Cyprus. After brief talks with Cypriot leaders at the Larnaca airport, he flew to Israel, the last stop on his weeklong Middle East mission aimed at reviving the peace talks that became stalled after Israel expelled about 400 Palestinians on Dec. 17.

Leaders of the Palestinian delegation to the talks said they would tell Mr. Christopher that their continued participation in the negotiations depends on an Israeli commitment to stop deporting Palestinians from the occupied West Bank and Gaza Strip.

It is not essential that Israel immediately bring back all of the nearly 400 accused Islamic militants who were expelled in December and who remain at a tent camp in southern Lebanon, Palestinian officials said.

They said they were willing to accept a timetable for a phased return. "We can discuss that," a senior official said. "But the most important thing is that there will be no deportations after that."

The delegates' stand on the eve of their first talks here with Mr. Christopher was similar to a similar, but more flexible position that had been taken Sunday by the hunched Palestinians themselves. But there is a big difference between the two groups.

The deportees are flatly opposed to peace talks with Israel, and are just looking for a way to get back home. The delegates are looking to the secretary of state for a solution that will enable them to return to the negotiating table without further damage to their already low credibility on Palestinian streets.

UN Teams Find No Iraqi Scuds

Reuters

BAGHDAD—Two teams of United Nations weapons inspectors joined forces Monday in an apparent hunt for Scud missiles that the United Nations suspects Iraq is hiding, but an Iraqi official said they found nothing.

Nikita Sznidovich, whose team of 20 inspectors flew in from Bahrain at dawn, said the surprise inspections of several sites were "most specifically related to the long-range missiles."

His team arrived in Iraq at about the same time as a team of 13 inspectors, which had been due to leave the country on Monday, announced that it was staying on.

"It was a specific task to check several sites," the Russian inspector said, "to check certain information."

He added: "In these locations, there might be items prohibited by 687." Mr. Sznidovich said at the end of the day's inspections. "It was an important visit."

He was referring to Security Council Resolution 687, the Gulf War cease-fire document under which Iraq must dismantle its biological, chemical, nuclear and ballistic missile programs.

It was the first time two UN weapons teams have worked together in Iraq. Mr. Sznidovich declined to disclose what they discovered.

But Husam Mohammadamin, the Iraqi official in charge of coordinating the movements of the UN inspectors, told reporters: "They visited three sites. They found nothing. This is great proof that we are hiding nothing."

The UN has said there is strong evidence Iraq is hiding about 100 of the Scud missiles of the type it fired at Israel and Saudi Arabia in the Gulf War. Iraq denies it.

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Paul Smith: The Measure Of True Brit Menswear

PARIS — The store in the bosom of the French capital is British to the core: mahogany fittings, gentlemen's ties laid out on a sturdy table; stately portraits of domestic animals in Victorian dress. Animals? Well, as Paul Smith says, he did more or less invent the phrase "classic with a twist."

Smith is tall, gangly, unassuming and a phenomenal success story — especially in British fashion, which is known for creative ideas, not business acumen. The shop he has just opened on the Boulevard Raspail on the Left Bank is one of 79 worldwide, including one in downtown Manhattan. His menswear business grossed £50 million in 1992, 60 percent in Japan. "I am bigger there than Armani and Chanel," he says — the closest he gets to blowing his own trumpet. Smith's claim to fame is that he has succeeded in making regular men believe that fashion is for them —

me confidence. She designed everything. She taught me about cut, quality and proportion."

Smith's fashion culture has also included packing, making buttonholes, and taking care of customers. "A lot of designers fail because they forget who pays the wages," he claims.

Among his customers are David Hockney, Mick Jagger and architect Richard Rogers. "Without realizing it, a lot of my customers are very creative people, writers, photographers," he says. "They are clothes for people who just know. They don't need a polo player." (A reference to the status symbol of Ralph Lauren).

At first glance, Smith's Paris shop seems part of the Old England nostalgia, much peddled in continental Europe and highly polished in the United States by Ralph Lauren. But Smith's version is laced with irony, from the bank notes stuck to the floor of the changing rooms, to the pictures that he says "just happen to have dogs' heads." In homes in London and Tuscany, there are serious modern paintings.

SUZIE MENKES

not just the preserve of show-offs, arty types and gays. Challenging the stereotype has been more significant than the fashions he has promoted, which include all the colors fit to knit for men's sweaters; funky ties and wild shirts to go with regular suits; and boxer shorts as yuppie underwear. He is also known for selling among the clothes and accessories a mix of quirky designer-fetish objects from fat fountain pens to classic kettles.

"My fault as a designer is that I don't have enough of a vision, it is far too broad — but that immediately becomes my strength," he says.

The swanky new Paris store and the warren of interconnecting boutiques in London's Covent Garden tell the same story. Smith puts nostalgia into the period decor and wit in ties or cufflinks made from typewriter keys. But the menswear is just a modern mix of easy pieces at reasonable prices — £500 (about \$725) for a suit and from £200 for a jacket.

There is nothing that would make a man ridiculous and plenty that his partner might covet. After a long gestation, Smith has finally decided to launch a women's wear collection for spring 1994.

"By popular demand," he says. "I am absolutely not a designer of clothes for women, but 15 percent of our sales are to women. It will be very low-key. It's something that I am nervous about, but quietly confident."

Smith's latest collection is built on the concept of giving customers a tad extra: not just a vest, but a hippie-revival look in ethnic brocade; the new short coat, cut lean and dandified; an impeccable business suit with a flashy lining. He is also fanatical about quality.

The principle of no compromise was how Smith, 46, started in business in 1970 in a small shop in Nottingham, in the north of England, which opened only on Friday and Saturday while the rest of the week was spent "earning money to live."

He still has the larger Nottingham shop he moved to in 1974. He is also still in the same relationship he formed at 21 with Pauline Denyer, a graduate from London's Royal College of Art who was then married, with two children. The eldest now works for him.

"Paul Smith the company wouldn't have been in existence if it wasn't for Pauline," he says. "In the beginning I had youth, energy, enthusiasm. She gave

Smith called his last collection "True Brit" — an ironic reference to "what the world sees as Britishness: the waxed jacket, Harris tweed and Shetland knits — always to do with leaning on the bonnet of a vintage car in front of a stately home — it's about entering a certain club that is seen as upper class."

From his bicycle (his long legs made him a teenage ordinary lad took to wearing bespoke suits. If Smith has an image, it is about taking elements of current fashion and mixing them. He also has a childhood memory, at 9, of going to see aunty on Sunday and sitting in the front room with "all that shyness and nervousness," and part of his mission is to make clothes in which people feel relaxed.

He also has a mission to improve what he describes as "the image of the job," believing that the dubious reputation of men's fashion, and the gay factor discourages potential students and employers from taking the business seriously. He will discuss design education with England's industry minister this month.

On a personal level, he keeps an open door in his London studio-loft for students whom he advises to do as he did: to start off earning money keeping design ideas as just "a little bit of purity" for themselves.

AFTER the vigorous growth in Japan, where Smith has been 31 times in the last 10 years, he believes that his business still has enormous potential. The American operation, for example, is very small. He says that every week he turns down serious propositions for marketing and licensing his name.

What do the businessmen see in this no-nonsense designer with a name that is a byword in England for Mr. Ordinary? Maybe, as he strides in, they catch a glimpse of the sunshine orange silk lining to the plain gray suit.



Paul Smith and his new Paris store; at right, his classic menswear with a twist: vested suit, oversize checked jacket and bicolored cardigan.

STYLE MAKERS

Felissimo GHOSTS OF STYLES PAST

NEW YORK — I am sitting at an oval table made from fallen cherry tree in the Tea Room and Art Space of Felissimo, a place where I am supposed to feel in harmony with myself and all of life. It is lunchtime. I am drinking my unstrained apple juice from pressed green apples, in a glass goblet that can be described only as perfection. I am trying to experience renewal. But I am experiencing fatigue instead.

Within these walls, in this turn-of-the-century town house on West 56th Street, a building that has been converted into the next generation of department store, I am being haunted by the Ghosts of Styles Past.

Do my eyes deceive me, or is that undulating terra-cotta wall the Ghost of Zona, that aromatic, once-revolutionary emporium of Tuscan and Santa Fe style?

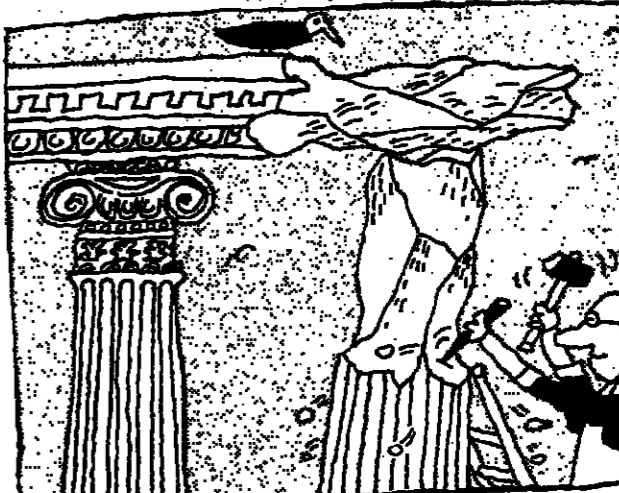
Is that soap cushion with the small pebbles sewn into stainless-steel mesh so fine it feels like fabric the Ghost of Sointu, the late design store on East 69th Street, or of all those frothy green oxidized metal objects we can't stand to look at anymore?

Is that spiky-shaped muslin pillow that looks like a starfish on hallucinogens the Ghost of Philippe Starck's Toothbrushes? Do all the young and beautiful salespeople swathed in black come from the Royalton Hotel? Or is it the Paramount? They look happy here. I want to be happy here.

I am supposed to be happy here, listening to the indoor waterfall, my napkin wrapped with a band and a twig, contemplating full-leaf tea in its "pure, simple, natural form" surrounded by objects that "minimize waste."

PERHAPS it's just the jadedness that comes with age. I am older now. I have survived a whole decade in which the objects one chose to live with were supposed to say something meaningful, then lost their meaning in a welter of materialism. I have lived through Art Furniture, Ralph Lauren and Shabby Chic. I am old enough now to remember when the Tizio lamp was new.

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Design once felt almost holy. I recall when I first laid eyes on Sointu, I remember the black matte pens, called writing instruments, displayed behind glass or on pedestals, as if they were art. Here were the icons of a perfect world. They were objects that would make life better. You could buy them.

In the 1980s, the spare emporiums of SoHo were filled with Art Furniture. At its best, Art Furniture was supposed to humanize design because it carried the imprint of the individual artisan's mind and hand. Art Furniture photographed well in design magazines.

Much of it looked dazzling but was uncomfortable and expensive, and it soon became fodder for sight gags about the despicable denizens of movies like "Ruthless People" and "Beetle-juice."

The Ghosts of Art Furniture are here at Felissimo, in burled wood boxes and lyre-shaped chairs. The ghosts of Clodagh Ross Williams, the now-defunct store in the East Village that was once a mecca for magazine stylist seeking forward-thinking props, are here, too (which makes sense: Felissimo was designed by Clodagh, now on her own).

Established in 1986, Clodagh Ross Williams specialized in memorable objects during an era in which objects were trophies, as Owen Edwards, an author, calls them, and it was O. K. to lust after THINGS. (Nancy Reagan did.) Among the most memorable was the concrete telephone.

The Ghost of the Concrete Telephone may be found at Felissimo in the form of a poured concrete light that looks like a dinosaur's egg. It is an intriguing object, in an ugly-beautiful sort of way.

Sensing that concrete telephones were not what most Americans yearned for, Ralph Lauren opened his Polo store on Madison Avenue in 1986. In his hands, life got layered and velvety and paisley, with plump cushions and overstuffed everything.

Rooms became stage sets in which it was impossible not to role-play. The rooms were lush, rich and comfortable. They played up class consciousness and made you pine for the world of Kipling.

Zona, which opened on Great Street in 1985, was also a reaction to hard edges. The very scent of it placed made you want to buy things. But they weren't just things.

In its early days, anyway, it Soleri bells, Tuscan tableware and other objects for sale at Zona symbolized a rebellion against technocracy and the hyper-intellectualized "design object."

Walking into Zona (assuming there wasn't a half-hour wait to in), you were instantly immersed in an environment that felt far away from New York, reconnected with the earth.

Zona embraced some of handmade, folk-art ethos of the 1960s and made a subliminal connection between spirituality and shopping. The music and scent created a Pacific Zona Zen. It was antithesis of much of Philip Starck's work, much of which spiky and ornery and relentless urban.

EVENTUALLY, we Shabby Chic, showed at the store of the same name and by myriad or imitators. It was a cross between the plush upholstered world of Ralph Lauren and the current concept of eco-purity. The architect, Shabby Chic furniture was a shuffled club chairs with no slipcovers.

Now, its ghost is at Felissimo still wearing muslin, as every lionable, self-respecting ghost these days. Muslin is the little dress of the '90s, like "natural c mere." It is politically correct. I promotional literature, Felissimo says it is committed to the "responsibility" and "giving back."

So, from the racks at Felissimo dangle Earth Ages sleepwear natural nightgowns with no dyes what "Mother Nature would. If she ever went to sleep," the proclaims.

Patricia Leigh Brown

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E

INTERNATIONAL Herald Tribune

A Pretty Good Plan

The Clinton economic plan envisions an America that provides "rising living standards for all its citizens."

President Clinton's vision stakes out three objectives: Speed recovery to put millions of Americans back to work as soon as possible; cut the long-term deficit to pump money into private capital markets; and reorient government spending away from consumption and toward investment.

The plan — which has gained important backing from Alan Greenspan, the Federal Reserve chairman — moves on all three fronts. However, Mr. Clinton's political antennae kept him from doing more, faster.

Stimulating recovery: Unemployment is higher now than when the recession ended almost two years ago, and the number of unemployed workers who will never regain their old jobs is near record levels.

Cutting the deficit: Mr. Clinton's cuts are substantial and fair. Take 1997, the end of his term, as a point of reference. The deficit would be cut from about \$350 billion to \$200 billion — a fiscally safe target.

Under the plan, most new taxes would fall on the rich, who benefited the most from the tax party President Ronald Reagan threw in the 1980s.

Although fair, the specific proposal Mr. Clinton makes for taxing the rich creates a danger. Wealthy families would pay a tax of 40 percent or more on ordinary income but only 28 percent on capital gains income.

Spurring investment: In 1997, Mr. Clinton proposes spending cuts and tax increases totaling \$200 billion, yet the deficit would fall by only \$150 billion.

Investing an extra \$50 billion in a 56 trillion economy might not seem like a big deal. And tolerating deficits of \$200 billion or more may seem cowardly.

Finally, cooperation with the West would help the Kremlin prevent illegal black market deals, which could include everything "up to and including strategic (nuclear) weapons."

—THE NEW YORK TIMES

Better to Pay for the Weapons' Destruction

By Jim Hoagland

WASHINGTON — Necessary for the capitalists who own a small electronics firm in California or a big tank engine factory in Germany, globalization now also drives the policies of a giant arms manufacturing enterprise that recently underwent traumatic restructuring and downsizing: the Russian government.

The Kremlin, like everybody else, is energetically trying to reorganize its foreign markets and military manufacturing base with help from abroad.

When Warren Christopher meets Andrei Kozzyrev in Geneva on Thursday, the secretary of state will bear a high-priority proposal on cooperation in arms sales from the Russian foreign minister. Mr. Kozzyrev will ask the United States to carve out a piece of the Russian and open up Western markets for the Russians and open up Western markets for Russia weapons exports as well.

He will argue that this would help Moscow pursue three policies that serve U.S. interests — if, as expected, he repeats the message outlined by Russian diplomats in recent conversations with U.S. officials.

Gaining access to U.S.-dominated markets in Saudi Arabia and elsewhere would allow Moscow to continue its costly embargoes against former clients Iraq, Libya and other bad actors.

Second, the Russians would like to prop up but to convert their enormous "military industrial complex" to the manufacturing of civilian consumer goods.

Finally, cooperation with the West would help the Kremlin prevent illegal black market deals, which could include everything "up to and including strategic (nuclear) weapons."

Look on this as an economic aid, the Russians suggest, that does not cost the American taxpayer. Beneath their words is the ultimate subliminal sales pitch: Help us sell these weapons, or they will come back to haunt you in the hands of rogue nations or of the Russian hard-liners who will follow Mr. Yeltsin if democracy in Russia fails.

Does that argument sound logical? Or loony? Or, alas, both logical and loony? It is loony because it treats weapons as just another set of consumer goods rather than as

She Spied But Wasn't A Traitor

By Shureen Blair Bryson

NEW YORK — At 6:57 P.M. on Feb. 16, 1943, in Berlin's Plötzensee prison, Mildred Harnack-Fish, cause prison, Mildred Harnack-Fish, university instructor in American literature, translator and American citizen, was beheaded. Her name was entered in the official death register along with 52 others for that day.

She had been translating Glebe in her cell, and as the hour of her death approached the prison chaplain heard her final words: "And I have loved Germany so much."

Few lives and legends so truly fit the vicissitudes of 20th-century history as hers, yet today she is barely known. Born Mildred Fish in 1902 in Milwaukee, of English ancestry, she was

And I have loved Germany so much

nessed the ordeal of the German-Americans who were assailed as disloyal during World War I. While attending the University of Wisconsin, she met and married a young German economist, Arvid Harnack.

Mildred Harnack-Fish joined her husband in Germany in 1929 in time to experience the last agonies of the Weimar Republic and Hitler's rise to power in 1933.

Beginning in 1933 the group arranged the escape of dissidents and Jews, disseminated clandestine letters with unrepentant speeches by Roosevelt and Churchill, and passed economic information gathered by Arvid Harnack to the U.S. and Soviet Embassies in Berlin.

During Hitler's greatest wartime triumphs, they carried out industrial sabotage, used foreign slave laborers to reveal, put up anti-Nazi posters, published an illegal newspaper and passed military intelligence to a Soviet Union then torturing under Hitler's assault.

Viewed by the Nazis as part of a Europe-wide Soviet espionage net, those sending monitored messages were called the Red Orchestra, because the group's radio "concerts" were beamed at Moscow.

In 1942, after having rounded up the Brussels underground team, the Germans were able to identify the leaders of the Harnack group. More than 100 Berlin members were seized.

On Dec. 19, 1942, after a secret trial by a military court, Mildred Harnack-Fish was sentenced to six years at hard labor. Mr. Harnack was hanged. Hitler reviewed Mrs. Harnack-Fish's verdict and ordered her retrial. Tired again, she was sentenced to death.

Historians generally dislike lost causes and few are as lost or misunderstood as that of the German Resistance. As the scholar Richard Hußel stated in 1946, "It was not granted to them to save Germany; it was only granted to them to die."

In moral terms it was relatively simple to be in the Dutch or French Resistance; there was no conflict with patriotism. But for Germans, resistance could be tantamount to treason.

Words like "espionage," "treason" and "Red" are not neutral, and until recently the Harnack group was vilified in West Germany. During Germany's division, two literatures were spawned, two traditions of "good" and "bad" resistance.

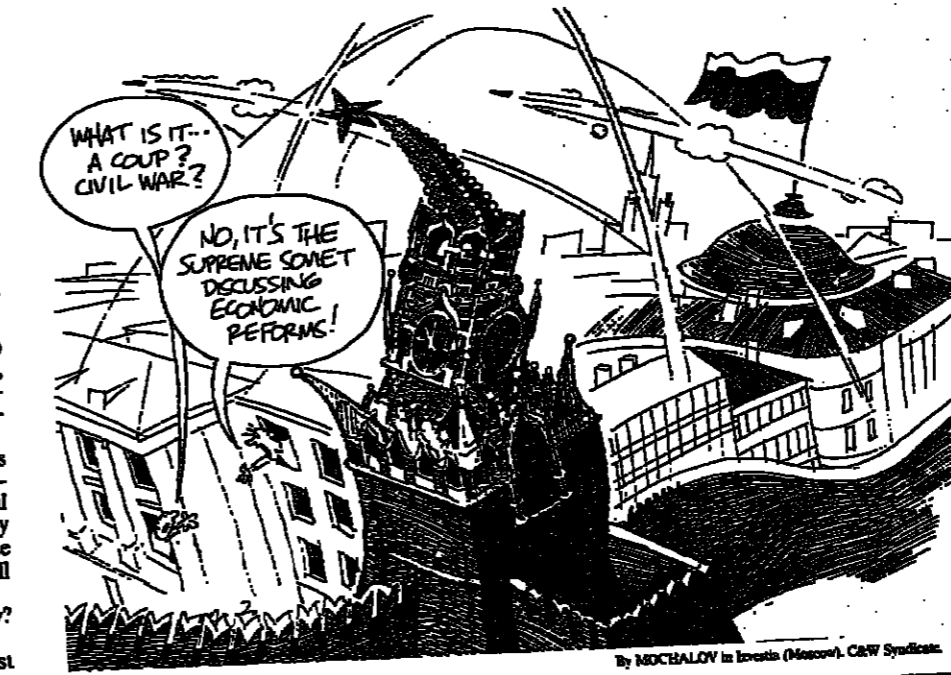
To the West Germans, the Red Orchestra consisted of spies, traitors to the Fatherland, because they gave military information to the Soviets. To East Germans, the Red Orchestra was heroic because it fought against the fascist regime; it also seemed to strengthen the postwar Communist regime's claim to legitimacy.

Last year, relatives and survivors of the resistance from West and East Germany met for the first time, at a meeting honoring the Red Orchestra.

As Cold War passions wane, a healing truth has been pronounced by younger scholars. A deep love of Germany was common to all conspirators, and the real measure of their deeds was moral, not political.

Hitler was the true traitor. Confronting that historical reality is the surest way of confronting neo-Nazi in a newly united Germany.

The writer is preparing a biography of Mildred Harnack-Fish. She continues this column to The New York Times



By MOCHALOV in Moscow (Illustration), C&W Syndicate

Too Modest a Tax

Taxing energy is a smart idea for America. It encourages conservation, discourages pollution and, not incidentally, raises money for a government that desperately needs it.

The tax is set to raise about \$22 billion a year by 1997, when it is to be fully phased in. That means \$230 a year for the average household. It looks as if roughly half of it would typically be paid directly by the household in utilities bills and the higher cost of gasoline.

Fuels would be taxed equally on their energy content, with one important exception. Oil products would be taxed at more than twice the rate of the others. There is good reason for it. Oil, in the form of gasoline, contributes more than its share to the pollution of the air in American cities.

Industries that use disproportionately large amounts of energy may be sharply affected. But the effect of this tax on the economy as a whole will be too small to be visible to the naked eye.

After oil prices began to soar in the early 1970s, takers of the prices of other fuels with them, Americans rapidly learned to use energy much more efficiently. But since oil prices fell seven years ago there has been no more progress. It is time to remind the country again that it is possible to live better on less energy — and that one major benefit of greater efficiency is a cleaner environment.

to persuade the Europeans to be bold, they have embarked on a new approach: finding another source for the drug. A Chinese manufacturer has developed a product very similar to the French one, and last week a group called Abortion Rights Mobilization said it would begin private testing of the pill. If in fact it does duplicate RU-486 and proves to be safe and effective, an American company — preferably a small one unafraid of boycott — will be found to apply for approval by the Food and Drug Administration.

Now that they have a commercial rival, the French may decide to enter the American market rather than lose it. It was foolish to believe that a scientific discovery of this kind could be kept indefinitely from the millions of women who need it. The election results in America should have given courage to the manufacturers. Perhaps the prospect of competition will be a more effective prod.

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Australia: How Much Free Market, and How Fast?

By Philip Bowring

SYDNEY — At one level the campaign for the Australian election next month is mainly a slanging match between the Labor Party prime minister, Paul Keating, a master of vitriolic rhetoric, and the opposition Liberal Party leader, John Hewson, an economist who has yet to prove his political mettle.

to many ways, their policies are similar. The Liberals espouse a more fundamentalist version of the free market economics that Mr. Keating, as treasurer for most of Labor's 10 years in office, applied to an inward-looking economy.

However, the election is important, not just for Australians, in focusing attention on the state of the nation. Australia has the third largest economy in the Asia-Pacific region after Japan and China. Its condition matters to the outside world, to financial stability and to open trade.

Australia's per capita foreign debt is one of the highest, and its currency among the most heavily traded relative to the size of the economy.

Take your pick of these alternative definitions of Australia: • A nation wracked by high unemployment, hobbled by debt and financial mismanagement hamstrung by archaic work practices, insularity, over-government and under-investment, and with social attitudes and educational standards that are inappropriate to competition in a dynamic East Asia.

• The country that has undergone more rapid economic adjustment than almost any developed country in the past decade, achieving above-OECD-average growth and below-

average inflation, despite being a principal victim of Europe's protectionist agricultural policy. It is also a country that has maintained a high degree of social and political stability while adjusting the ethnic mix of its immigration program to acknowledge its proximity to Asia.

Both definitions are partly true. The election is about whether the situation is so bad that it warrants the stronger

There is consensus on the need for a more outward-looking, flexible, skill-based economy.

dose of free market reform recommended by Mr. Hewson. Or whether Labor policies are achieving the same goals without social disruption.

Labor is offering continued market-oriented reforms to make the economy more competitive, but on a gradualist basis and with organized labor playing a major role. The opposition, a coalition between the Liberal and National parties, offers radical reform of a rigid labor market, a phasing out of tariffs and a reduction in taxes on income while increasing taxes on expenditure to encourage saving and investment.

Given unemployment of about 11 percent of the work force, the foreign debt mountain and an appalling record of financial mismanagement by

labor state governments, Labor would be expected to lose a federal election in normal circumstances. But the voters seem nervous about borrowing spurge mainly financed high consumption and overinvestment in commercial property.

The foreign debt is often treated rather lightly in Australia because its officials assert that the country, with its rich resources, clearly has the capacity to repay its creditors. The overseas debt is mostly owed by the private sector and thus is of no direct official concern. Nonetheless, it will hang over the economy for years.

Australia may be close to being in a debt trap. Exports of goods and services are now in surplus, but interest and dividend payments are keeping the annual current account 12 billion Australian dollars in the red. To service the debt and achieve the 3 percent rate of economic growth needed to start shrinking unemployment will require a huge turnaround in the terms of trade, or a massive shift in resources from consumption to exports. Yet national savings, for years well below the OECD average, have fallen even further.

On the brighter side, inflation has collapsed and is now the lowest among OECD countries. Structural change in the economy is under way. Reflecting an increasingly outward-looking and internationally competitive position, Australia's exports as a proportion of GDP have risen to 23 percent, from only 14 percent a decade ago. The country has been pulled along by Asian countries, its main trading partners and source of tourists.

Although Mr. Hewson promises a complete freeing up of a union-dominated labor market, the process is already taking place as old industries wither and recession takes its toll on centralized wage fixing. Whichever party is in power, the long overdue reform of inefficient ports, railways and other utilities will continue.

However, reform has so far done nothing to raise savings and end the borrowing binge. Mr. Hewson's tax package, which would probably cut consumption and raise profits and household savings, might make a dent. Whatever the government, there is a pressing need for reform to show results before foreign creditors, who have been remarkably indulgent, impose their own market solution. That would be very painful and would perhaps kill the anti-protectionist consensus that now prevails.

Either way, Australia faces a decade of discomfort.

International Herald Tribune

Bangladesh's New Democratic Order

By James Manor

DHAKA, Bangladesh — During municipal elections in Bangladesh five years ago, a colonel representing the military regime ordered a candidate who finished third the winner. The official protested that everyone would know this was a sham. The colonel drew his revolver, cocked it and placed the barrel against the man's temple. When the official flinched, an assistant was found to scribble an illegible signature on the fraudulent notice paper.

Times have changed. Recently, wide-open municipal elections were held across this country amid festive

contests for local councils and in three parliamentary by-elections, all of which were won by the opposition Awami League. A few weeks ago, the governing party's candidate was declared the winner in a fourth by-election. The Awami League clearly has claiming victory. But this dispute has not assumed serious proportions. Major newspapers that depend on government advertising lean toward the National Party, but the views of the Awami League leader, Sheikh Hasina, are also on the front page daily.

By disciplining unruly young supporters, Begum Zia has curtailed the gung-ho that long afflicted university campuses. The military is in no mood to resume the complex business of government, at which it has failed so woefully and so often. And if it tried, it would face huge public protests.

It is not enough, however, for the government to be democratic. It must also perform effectively, and on that front serious concerns are emerging. Many ministers, starved of experience by years of autocracy, seem confused and leave policy-making to bureaucrats. Others who are more active come across as profiteers or bunglers. Begum Zia evidently understands this. But a much-rumored cabinet reshuffle never seems to take place.

Like all previous governments in Bangladesh, he's set out to discard every vestige of the former regime, abandoning promising institutions along with much that was vile. It abolished elected councils near the local level that had been misused, but that could have been changed to give rural people a voice in state affairs for the first time. The councils are to be replaced by a hopelessly overcentralized system. This pleases members of parliament who want no rivals in their constituencies. But it slams the door on rural folk who had hoped for greater democratic engagement.

The government has compounded

this problem by slashing allocations to the field offices of its development-oriented ministries, which were generously funded by the previous regime. Last year many could scarcely afford to pay their employees. Spending has been picked up this year. Nonetheless, officials in the field still complain that there is no money for things like medicine and rural clinics. Delays in disbursing funds to many field offices until halfway through the financial year have had a further crippling effect. This has begun to erode the new government's popularity among villagers, who cast 85 percent of the votes in elections.

Parliament is dominated by moon-eyed, uneducated politicians who do not see the dangers that this poses for the future. They focus on the popular mood in cities, where mass demonstrations brought down the previous government. But the logic of Bangladesh's new democracy requires major concessions to the rural majority.

Most rural voters are desperately poor. Thus, it is in the interest of the new government to become the first in the country's history to get serious about poverty alleviation. But despite much rhetoric, nothing of substance is contemplated. Nor is there much effort at forging partnerships with nongovernmental organizations that do impressive work among the rural poor. Insecure politicians see the remarkable capacity of these organizations to accomplish things with limited resources as a threat rather than as an opportunity to improve their constituents' wretched lot.

If these trends continue, the achievements of Bangladesh's democratic experiment, which are so welcome amid the mayhem elsewhere in the world, could be put at grave risk.

The writer is a professorial fellow of the Institute of Development Studies at the University of Sussex, England, and author of books on South Asian politics. He contributed this column to the International Herald Tribune.

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OPINION

Calling a Tail a Leg: A Tax-Rise Name Game

By William Safire

WASHINGTON — If you call a tail a leg, went the riddle attributed to Lincoln, how many legs has a dog? The answer: four, "because calling a tail a leg doesn't make it a leg."

Red-eyed with lack of sleep, racing to make a self-imposed deadline like students cramming for an exam, the Clintonites slapped together a dog's breakfast of a budget proposal — and did not like what they saw.

The trouble was that it was all tax increases and — except for a huge extra whack at defense that they knew had no chance of getting past Senator Sam Nunn — few spending cuts. And the people had voted for spending cuts to reduce the deficit.

So Bill Clinton decided to call a tail a leg. This required moving a bunch of items out of column A, "tax increases," and over to column B, "spending cuts." It

wasn't honest accounting, but when you are in an impossible bind and it's late at night, you do what you have to do.

That's when the Clinton proposal to tax an additional 35 percent of Social Security benefits to those over 65 who continue to work, or who were foolish enough to have saved money for their old age, went through a miraculous name change. The additional tax was no longer to be known by the harsh word "tax"; instead, it was to be called by the admired term "spending cut." Lloyd Bentsen at Treasury attempted a convoluted rationale for this sleight of hand that embarrassed his friends.

The same trick was tried with uncapping the sum on which the Medicare tax was levied, thereby raising the tax take on the highest bracket to 43 percent. It's

a tax rise, plain and simple, squeezing \$12 billion out of those committing the egotistical sin of earning money, but — behind the blue smoke and mirrors — there it appears, labeled "spending cut."

Why the chicanery, so transparent that not even the budget chief, Leon Panetta, could bring himself to defend it on television on Sunday? Because Clintonites had first promised two dollars in cuts for every new dollar in taxes, and then backed off to "rough balance" — but in the end they produced no balance, rough or otherwise. On the contrary, only after four dollars are snatched out of taxpayers' pockets do we see one dollar cut — and that cut is not guaranteed.

In 60 days, the other shoe is scheduled to drop: the Hillary supplemental, with subsidies for 37 million uninsured peo-

ple to be paid out of taxes on cigarettes, wine, beer and guns. And if a pistol-packing, butt-puffing Joe Stumpack cannot pay that \$90 billion freight bill by himself, on comes a national sales tax.

Did we vote for this? Did Bill Clinton talk about it during his campaign, except to denounce predictions of tax-and-spend economics as "shameful"?

Of course not; not for him the Walter Mondale route in 1984, blurring out an intention to raise taxes. Such honesty is for losers, winners zip their lip and "discover" ever-growing deficits after the election, claiming then to be shocked, shocked at the need to raise taxes while increasing nondefense spending.

Will it fly? The polls show the customary enthusiasm for a new president who exudes energy even as he proposes taxing it. We like seeing those lights burning late, the resilient young president campaigning for his cause, whatever it is; foggy old and young find it fun to shake up the boring status quo. We tend to forgive early mistakes and little deceptions, hoping they won't grow into major blunders and a pattern of lies.

But Mr. Clinton and his team, half starry-eyed and half bleary-eyed, are stumbling into an ideology that is as bad for them as it is for the nation. Does he realize where "Clintonism," as it is developing, is taking him? Price control, paternalism and protectionism lead to inflation, recession and general dismay.

Americans love the idea of Change and hate radical changes. We want a sense of movement without getting involved in a Movement.

It would be hard for any politician to prevent 1993 from being a good year, just as it will be hard to prevent Mr. Clinton from attributing this year's upturn to his election and slapdash proposals.

Stop him, Democrats, before his desire to be different combines with his telemarketing talent to lead your party into the black hole of statism. He calls his inchoate ideology "the new direction," but calling a tail a leg doesn't make it a leg.

The New York Times.

How the WASP Crust Crumbled

By Abigail Trafford

WASHINGTON — I have a confession: My family has a social disease. I call it the WASP Rot Syndrome. It is characterized by the slow erosion of ambition, energy, trust funds and SAT scores, a downward mobility that affects a whole class that once was accustomed to privilege and responsibility.

The ancestors were judges, adventurers, tycoons; the progeny are drummers and day laborers. The grandparents served on charity boards in the city; the grandchildren live in cabins in the woods and, as a friend explained, "associate with people with no teeth."

For many WASPs (the enduring coinage for "old money" Americans who are mostly white, of Anglo-Saxon descent and Protestant), the American Dream of bettering oneself has become the nightmare of decline.

There are, of course, many exceptions, with large numbers of inheritors carrying on in positions of power. And

justice. The Old WASPs could not, or would not, compete with newcomers who brought the same level of energy, talent and ambition that had once propelled the Founding WASPs.

The sociologist E. Digby Baltzell, who popularized the term WASP in 1964, points out that the WASPs founded in the early 20th century when they became a closed caste that discriminated against non-WASPs.

Slippage is ultimately guaranteed by the loss of money. Inherited wealth disappears if those succeeding generations are not able to earn money on their own. Of the 1,000 New York families listed as rich in 1845, not one made the Forbes list in 1985, Mr. Christopher found.

But the decline of the WASPs is broader than the erosion of capital. It has to do with the erosion of the Code. The Old WASPs began to decompose when the WASP version of noblesse oblige got subtly but fatally twisted into faiblesse oblige. In Faiblesse WASPs, the manners are still there but the force and clarity are gone, replaced by faiblesse, or weakness.

Noblesse WASPs stand by their principles — remember Attorney General Elliott Richardson, who defied President Richard Nixon by refusing to fire the Watergate counsel Archibald Cox, which cost him his job? Faiblesse WASPs flip-flop the way Mr. Bush did on the abortion issue. Noblesse WASPs — Franklin D. Roosevelt comes to mind — have a common touch and talk to both princes and paupers in the same voice; Faiblesse WASPs "go native" and try to pass for a cowboy or lobsterman — think Mr. Bush and pork rinds.

Noblesse WASPs "pay their fair share" — in taxes, charity and good works; Faiblesse WASPs seek tax breaks — calling a Houston hotel room a home. In many families, the Code's transition from Noblesse to Faiblesse begins when the origins of WASP power and prestige are forgotten and the founder story is mythologized in a way that can paralyze future generations.

In a family memoir that described my great-great grandfather, his son put it this way: "In the 1880s, my father had by some quirk of fortune become president of the 'Big Four' (a railroad company). He fell into this job as a legal representative for some Boston capitalists." It's as though he was standing on the corner and someone dropped a railroad into his pocket.

While the myth correctly recognizes the role of luck, it glosses over the bold ambition it took to leave a rocky farm in Maine and strike out on his own. The son also writes: "The second generation did not have the drive of the first, of course."

Set in place is the Faiblesse message that the current generation can never

measure up to previous generations. Even more debilitating is the myth of effortlessness, of "falling into" success. A gentleman must not seem to try too hard. This quickly becomes: A gentleman must not try too hard. In the marketplace, where abilities are evenly distributed among competitors, trying hard can make the difference.

The underlying command of the Code was "Stand up and be counted." Rise to the occasion. War and crisis loosen the restraints of pedigree so that the clubmen could pull out the stops and "fight fiercely." But stand up and be counted is a command in the passive voice. The subtext is to wait for a crisis before acting, which translates into: Wait and do nothing.

The downward fall was accelerated by the revolt of WASP women. The traditional escape routes had always been scandal (love) and mental illness. My mother, a promising sculptor and airplane pilot, spent most of her life in mental institutions like the one near Boston where they served meals on Wedgewood china. Mental illness is like a lightning fire in the forest; the devastation is total. It contributes to the decline of many families.

Yet for the survivors — and not everyone survives — tragedy starts a new cycle of growth. In a curious way, my mother's collapse paved the way for me to start over, recovering the drive of the "first generation."

The secret in most families was that the WASP way of life depended on the talents, energies and sacrifice of the women. They often ran separate households in summer and winter, managed a staff, monitored large numbers of children and grandchildren, and generally created an environment in which the WASP male could flourish.

After World War II, WASP women, many now armed with college degrees, put on aprons for about a decade and then decided they would rather be lawyers or bankers or holistic massage therapists. Once the woman revolts, the whole way of life collapses.

All the while, an increasing number of third- and fourth-generation WASPs simply broke the Code that had become corrupt, repressive, sexist and silly. They broke the Code by moving out, marrying out, divorcing out, dropping out and opting out.

They also opted out of what their parents did. Today, curiously enough, some are even starting a business or going into politics — just like the old days. That is why when my daughters ask what happened, I can tell them this: WASP Rot has been good for us. It's a challenge to start over.

The writer, editor of the Health section of The Washington Post, is author of "Crazy Time: Surviving Divorce and Building a New Life." She contributed this comment to The Post.



LETTERS TO THE EDITOR

Word Without Social Value

Regarding "Defanging of a Racial Epithet" (Report, Jan. 25) by Michel Marriot:

Your article concerns the status of the word "nigger." The word shall never be used by the ethnic Caucasoids in the presence of ethnic Afroids with impunity. Unlike the word "black," a derogatory label for African-Americans that became a positive weapon by adding the word "power," the word "nigger" has no redeeming social value.

TED JOANS, Paris.

Refugees Can Be a Plus

There is a general fear of an influx of refugees and illegal immigrants to the

West from countries emerging from communism. Measures are being taken to head this off.

However, the Renaissance in Europe after the Dark Ages was due largely to the Byzantine scholars and merchants who fled Constantinople after its fall in 1453.

The influx of European refugees escaping from fascism in Western Europe in the '30s and early '40s raised scientific and cultural levels in the United States.

European refugees from North Africa in the early '60s, the so-called *pledts noirs*, gave France an injection of progress.

Why should the present influx not provide new scientific and cultural impetus to the West, which is undergoing a period of stagnation?

J. L. CHRYSANTHOPOULOS, Aghion, Greece.

Mishearing the People, Too

Regarding "Excuse Me, Mr. Clinton, I Must Have Misheard You" (Opinion, Feb. 20-21) by Ronald Reagan:

Yes, Mr. Reagan, you have misheard President Bill Clinton — just as you misheard, misread, misunderstood, misinterpreted, misled and misgoverned the American people for eight years.

PETER ADAMS, Paris.

Erring on Barcelona

Regarding "Atlanta Sees '96 Costs Growing to Olympic-Size Proportions" (Sports, Feb. 4):

There were two errors of fact in this article. "Barcelona will need another 15

years to pay off its Olympic debt," the article said. It is not another 15 years, but the already budgeted 15 years. Also, the article said the city had "35,800 billion pesetas in interest payments alone to be met this year." It is 35,800 million pesetas.

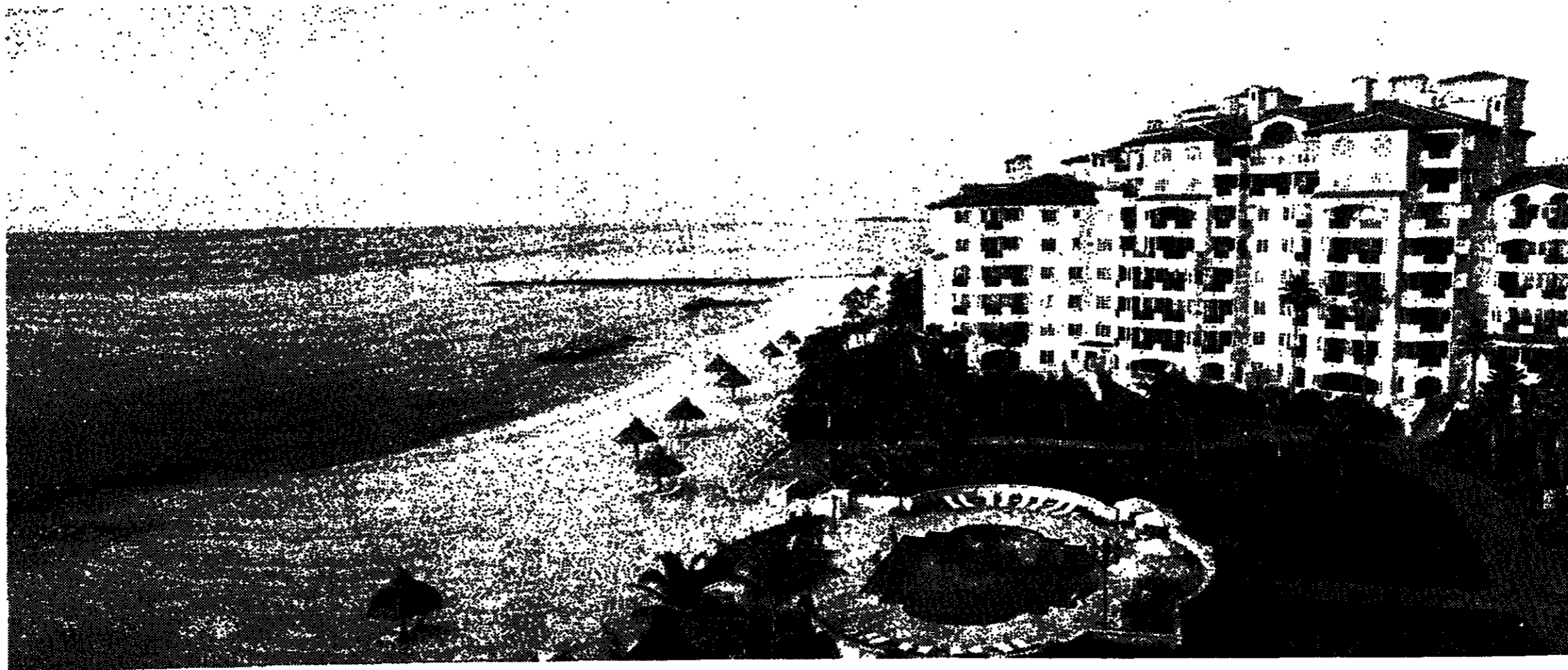
XAVIER ROIG, Barcelona.

The Right to Do What?

Regarding "Women Rockers: A Long Way, Baby" (Back Page, Feb. 16):

What are "reproductive rights"? Is that anything like the right to reproduce? Or perhaps self-reproducing rights?

ROD MILLER, Geneva.



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NYSE

Monday's Closing Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

(Continued)

Table with columns: 12 Month High, 12 Month Low, Div, Yld, PE, High, Low, Last, Chg, % Chg. Lists various stock tickers and their performance metrics.

Table with columns: 12 Month High, 12 Month Low, Div, Yld, PE, High, Low, Last, Chg, % Chg. Continuation of stock market data.

Banks Balk Stockholm Privatizations Stalled by Need for State Aid

Private banks balk at the conditions that set off a chain of problems for the banks.

STOCKHOLM — By the end of the year, a Swedish government committed to extensive privatization may find itself effectively owning six of the country's leading banks, analysts say. They said Svenska Handelsbanken AB, which reports 1992 results Tuesday, could be left as the only major bank in the private sector, while the government wrestles with a budget deficit inflated by aid to banks and a privatization program stalled by the poor health of the industry.

Deputy Finance Minister Bo Lundgren last week confirmed that the government would keep Skandinaviska Enskilda Banken AB afloat after it announced substantial losses, but he said state ownership was "definitely a last resort" and would not arise unless private resources were exhausted. He said that the government had no objection to foreign ownership of Swedish banks.

Mr. Lundgren reported to parliament that guarantees already made to Nordbanken, Gota Bank and Forsta Sparbanken totaled 67.5 billion kronor. Now in line for aid are SE Banken, Sparbanken Sverige and Foreningsbanken.

Thursday's announcement by SE Banken that it had an operating loss of 5.3 billion kronor (\$696 million) in 1992 raised questions about whether the Swedish government, with a budget deficit heading for 14 percent of GDP, can bail out all the banks that need help.

Analysts said changes in the regulatory environment between 1985 and 1989 helped create

the conditions that set off a chain of problems for the banks.

"All the credit restrictions were relaxed during a boom of enormous proportions," one analyst said. "The banks could not lend money quickly enough. They not only lent it directly, they lent it to specialist finance companies, which in turn lent it at extra high rates to property speculators who would not have met conditions for a direct bank loan."

Bo Engstrom, analyst at Midland Montagu, pointed out that three years ago it was not unknown for the finance companies to lend 105 percent of the market value on properties.

From mid-1989 there was a race for market share led by Nordbanken AB, with new finance companies springing up, he said.

Problems first appeared in late 1990 among finance companies that specialized in foreign lending, often into the British market, analysts said. The banks poured more money in, but were overtaken when property prices flattened in early 1991 and began to fall towards the end of the year. As finance companies got in trouble, banks refinanced them, often more than once.

The banks' enormous need for fresh capital has been cited as a reason for the moratorium on privatizations.

Even with government aid the banks will still need to make rights issues, which will tend to squeeze the privatization candidates out of the capital market, analysts said.

Table with columns: 12 Month High, 12 Month Low, Div, Yld, PE, High, Low, Last, Chg, % Chg. Stock market data.

Table with columns: 12 Month High, 12 Month Low, Div, Yld, PE, High, Low, Last, Chg, % Chg. Stock market data.

Table with columns: 12 Month High, 12 Month Low, Div, Yld, PE, High, Low, Last, Chg, % Chg. Stock market data.

Table with columns: 12 Month High, 12 Month Low, Div, Yld, PE, High, Low, Last, Chg, % Chg. Stock market data.

Table with columns: 12 Month High, 12 Month Low, Div, Yld, PE, High, Low, Last, Chg, % Chg. Stock market data.

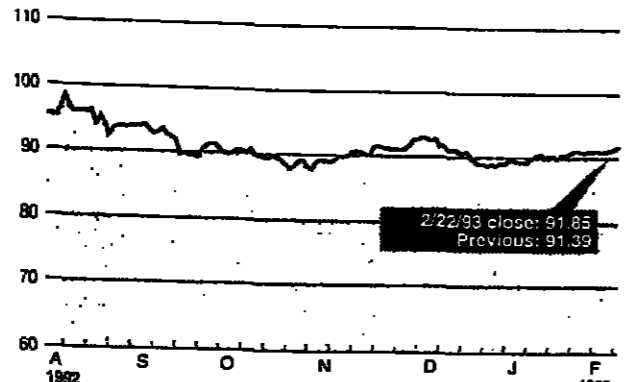
Large table on the right side of the page containing extensive stock market data, including various indices and individual stock performance metrics.

(Continued on page 11)

سكان العالم

THE TRIB INDEX: 91.85

International Herald Tribune World Stock Index of 20 countries, compiled by Bloomberg Business News, Jan. 1, 1992 = 100.



The index tracks U.S. dollar values of stocks in: Tokyo, New York, London, and Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Italy, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden and Switzerland.

Table with 3 columns: Asia/Pacific, Europe, N. America. Includes sub-tables for Industrial Sectors like Energy, Utilities, Finance, Services, Capital Goods, Raw Materials, Consumer Goods, Miscellaneous.

For Baby Bells, Back to the Future?

Compiled by Our Staff From Dispatches. CHICAGO — Ameritech Corp., one of the regional telephone companies created by the breakup of the AT&T monopoly a decade ago, announced Monday that it wanted to erase the basic divide between local and long-distance services set down in the 1982 consent order.

Branson Gives BA Ultimatum On Reparations

By Erik Ipsen. LONDON — An impatient Richard Branson told British Airways on Monday that it had 24 hours to quit dithering and make him a "sensible" offer to redress the financial damage done by BA's dirty tricks campaign to Virgin Atlantic Airways.

Clinton Package: 'Insuring' a Recovery

WASHINGTON — President Bill Clinton's chief economic adviser told Congress on Monday that the administration's stimulus package was needed as an "insurance policy" to keep the economy from faltering again.

Lufthansa Sees Breaker by 1995 at Latest

FRANKFURT — Lufthansa AG said Monday it expected "at the very least to reach breakeven in its operating result by 1995."

Speed Drives Morgan Past Other Brokers in Tokyo

By Jeremy Adrian and Kevin Kelleher. BLOOMBERG BUSINESS NEWS. TOKYO — When Morgan Stanley Japan Ltd., a branch of the American securities company, became the most profitable brokerage in Japan last year, the Japanese were pleased.

INTERNATIONAL STOCKS

Gold Rush to East Europe Has Dwindled to a Trickle

By Jane Perlez. NEW YORK — When the Berlin Wall fell in 1989, the major countries of Eastern Europe were viewed as interesting prospects for fund managers watching emerging markets. But after the initial enthusiasm, the last three years have been disappointing.

Japan Weakness Erodes Rationale for Surpluses

By James Sterngold. TOKYO — Even as Japan racks up the largest trade surpluses in history, the flood of international investments the surpluses were supposed to finance have declined sharply in recent years, undercutting one of the government's justifications for the imbalances.

ANNOUNCEMENT INVESTMENT OPPORTUNITY

CAIRO SHERATON HOTEL TOWERS & CASINO

In the context of the Egyptian Government Privatization Policy, the Holding Company for Tourism, owned by the Government of Egypt, and its affiliate the Egyptian General Company for Tourism and Hotels "EGOTH", announce the proposed divestiture of: Cairo Sheraton Hotel Towers & Casino.

CURRENCY & INTEREST RATES

Large table containing various financial data including Eurocurrency Deposits, Key Money Rates, Other Dollar Values, Forward Rates, and Gold prices.

MARKET DIARY

Bonds Sustain Rally, Giving Stocks a Lift

Bloomberg Business News NEW YORK — U.S. stocks rose Monday as the yield on the benchmark 30-year Treasury bond fell below 7 percent for the first time.

Interest rates are so low money only has one place to go and that's into the stock market," said John Blair at NatWest Securities.

The Dow Jones Industrial Average rallied 20.81 points to 3,342.91, led by gains in J.P. Morgan & Co., which was added to Merrill Lynch's "buy list."

But the Nasdaq Composite Index plunged 11.19 to 652.42, hurt by slumping biotechnology stocks. Syngene Inc. lost 68 percent of its market value as the stock declined 28% to 13¢.

Biotech stocks were killed because of Syngene's announcement, said Edward Collins, head trader at Daiwa Securities (America).

Biogen Inc. declined 14 to 26% and Regeneron Pharmaceutical slumped 2 1/4 to 11.

Generally, stocks received a boost from the decline in Treasury bond yields. The yield on the benchmark 30-year bond fell 7 basis points to 6.93 percent amid tough talk from President Bill Clinton about cutting the federal budget deficit.

"The market's assuming he will be more forceful on cutting spending" to reduce the record \$290 billion budget deficit, said Michael Strauss, chief economist at Yamaichi International (America).

But the stock market "is going to twist and turn for the next several weeks as investors try to figure out how Clinton's plan is going to affect the economy," said Richard Meyer, head of institutional trading at Ladenburg, Thalmann & Co.

Health-care stocks were battered again by concerns over Mr. Clinton's proposal to limit tax breaks for companies manufacturing in Puerto Rico.

U.S. Surgical Corp. plunged 4% to 57¢, after falling 6 1/2 points Friday. Medtronic Inc. fell 6 1/2 to 70¢, following Friday's 4 1/2-point plunge.

Tobacco stocks continued to weaken amid concern of higher taxes on cigarettes.

YEN: The Rise Squeezes Japan Inc.

(Continued from page 1) record \$107 billion in 1992, is likely to grow further this year because the weak domestic economy is slowing demand for imports.

It will thus become an ever-larger blight on the political landscape, encouraging policymakers in Washington and Europe to seek an agreement similar to the Plaza accord of 1985, which led to a sharp yen increase.

Thanks in part to that agreement, Japanese exports in volume terms rose only 17.5 percent between December 1985 and December 1992, while imports jumped 64.1 percent.

Japan's share of exports to OECD countries has been declining since 1984, while the U.S. share has been rising since 1986.

The benefits to the global economy of a new yen rise today, however, would be less dramatic. Unlike the mid-1980s, when Japan pumped its way out of recession by investing unprecedented sums at home and abroad while the government applied a heavy fiscal stimulus and slashed the discount rate, Japan's options for refueling are limited now.

The discount rate at 2.5 percent is companies are burdened with excess capacity and have little incentive to invest, and the cost of capital has increased sharply as the Tokyo stock market has plunged.

The yen's rise will increase pressure on the government to give a new fiscal boost in addition to last year's 10.7 trillion yen (\$90 billion) stimulus package. Some believe the G-7 summit here in July, economists expect the government to unveil a package worth 7 trillion yen in tax cuts, housing support and public works spending.

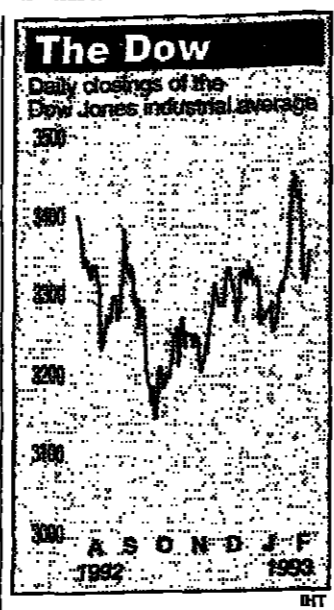
Each 10 yen appreciation against the dollar reduces Japan's output by 0.3 percent, economists say. Hardest hit are automobiles, electronics and other companies heavily reliant on exports. The Bank of Japan estimates that the average exporter breaks even at an exchange rate of 123 yen to the dollar, well above today's level.

On trade, the immediate deflationary impact of a stronger yen should make Japan's trade surplus swell.

After 12 to 18 months, however, an appreciation of the yen should help narrow the imbalance by making imports more attractive, and giving a boost to Japan's economic growth via savings on cheaper imports. But unlike the late 1980s boom, the next surge in Japanese imports will more likely favor cheaper products produced in Southeast Asia, often by Japanese subsidiaries, rather than high-priced luxury goods such as German cars and French paintings.

The yen strengthened across the board on Monday, rising to 71.61 to the Deutsche mark in New York from 72.86 Friday.

The dollar drifted lower to 1.6247 DM from 1.6380.



Daily closing of the Dow Jones Industrial Average

Table with columns: Vol., High, Low, Last, Chg. for NYSE Most Actives.

Table with columns: Vol., High, Low, Last, Chg. for AMEX Most Actives.

Table with columns: Vol., High, Low, Last, Chg. for NYSE Diary.

Table with columns: Vol., High, Low, Last, Chg. for Amex Diary.

Table with columns: Vol., High, Low, Last, Chg. for NASDAQ Diary.

Table with columns: Open, High, Low, Close, Chg. for Dow Jones Averages.

Table with columns: High, Low, Close, Chg. for Standard & Poor's Indexes.

Table with columns: High, Low, Close, Chg. for NYSE Indexes.

Table with columns: High, Low, Close, Chg. for NASDAQ Indexes.

Table with columns: High, Low, Close, Chg. for AMEX Stock Index.

Table with columns: High, Low, Close, Chg. for Dow Jones Bond Averages.

Table with columns: High, Low, Close, Chg. for Market Sales.

Table with columns: Buy, Sell, Short for N.Y.S.E. Odd-Lot Trading.

For investment information, read the MONEY REPORT every Saturday in the IHT.

EUROPEAN FUTURES

Table with columns: Class, High, Low, Prev. Close, Close, Change for EUROPEAN FUTURES.

Table with columns: Class, High, Low, Prev. Close, Close, Change for COFFEE (FUTURES).

Table with columns: Class, High, Low, Prev. Close, Close, Change for METALS.

Table with columns: Class, High, Low, Prev. Close, Close, Change for FINANCIAL.

Table with columns: Class, High, Low, Prev. Close, Close, Change for U.S. FUTURES.

Table with columns: Class, High, Low, Prev. Close, Close, Change for GRAINS.

Table with columns: Class, High, Low, Prev. Close, Close, Change for SOYBEANS (FUTURES).

Table with columns: Class, High, Low, Prev. Close, Close, Change for CORN (FUTURES).

Table with columns: Class, High, Low, Prev. Close, Close, Change for LIVERPOOL (FUTURES).

Table with columns: Class, High, Low, Prev. Close, Close, Change for LIVERPOOL (FUTURES).

Table with columns: Class, High, Low, Prev. Close, Close, Change for LIVERPOOL (FUTURES).

Table with columns: Class, High, Low, Prev. Close, Close, Change for LIVERPOOL (FUTURES).

Baker and Mosbacher to Advise Enron

HOUSTON (UPI) — Enron Corp. said Monday that the former secretary of state, James A. Baker 3d, and the former commerce secretary, Robert A. Mosbacher, had agreed to assist the Houston-based company in developing natural-gas projects overseas.

Enron said that the two former Bush administration cabinet officers, working under a joint consulting and investing agreement, would bring their "wealth of international experience" to the company.

"Although they will not lobby U.S. government agencies or officials and will not represent any foreign governments, their international business experience and knowledge of governments around the world, as well as their great understanding of the energy business, will greatly enhance Enron's goal of becoming the world's first natural gas major," said Enron's chairman, Kenneth Lay.

Enron, which has assets of \$11 billion, operates one of the world's largest natural-gas transmission systems. It owns 80 percent of Enron Oil & Gas Co., one of the largest independent natural-gas exploration and production companies in the United States.

Torchmark Buys United Investors

BIRMINGHAM, Alabama (Bloomberg) — Torchmark Corp. sent shares of its 84 percent-owned United Investors Management Co. soaring on Monday, offering \$201 million for the remaining 16 percent of the company.

Torchmark, the Birmingham-based insurer and financial-services company, said that it had offered about \$30.50 in the form of a newly issued convertible debenture for each of United Investors' 6.58 million nonvoting shares outstanding. Terms of the debenture have not yet been set.

Torchmark officials declined to comment on the move for repurchasing the spun-off shares.

Steel Shipments Increased in January

CLEVELAND (UPI) — The Steel Service Center Institute said Monday that the industry had started the new year with unusually strong shipping levels and expectations of even better days ahead.

January's average daily shipping rate was up 16.5 percent from December, according to the latest business conditions report of the Steel Service Center Institute.

For the first time since September 1990, service centers shipped more than 94,000 tons of steel products a day. Average daily shipments for all seven product categories were up over December levels.

Du Pont Debt Ratings Under Review

NEW YORK (APX) — Moody's Investors Service said Monday that it had placed under review for possible downgrade the A2 long-term debt ratings of Du Pont Co. about \$8.8 billion of long-term debt is affected.

Moody's said that the review reflected its concern over increased debt levels coinciding with lagging cash flow — a trend of several years' duration that worsened significantly in 1992.

Ratings under review are Du Pont's A2 rating on senior notes, debentures, Eurobonds and numerous tax-exempt issues.

Weekend Box Office

Table with columns: Title, Gross, Weeks, Gross to Date, Prev. Week, Weeks in Release for Weekend Box Office.

U.S. FUTURES

Table with columns: Class, High, Low, Prev. Close, Close, Change for U.S. FUTURES.

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WORLD STOCK MARKETS

Large table with columns: Class, High, Low, Prev. Close, Close, Change for WORLD STOCK MARKETS.

PHONES: Back to the Future?

(Continued from first finance page) of the 1982 decree, and U.S. District Judge Harold Greene, who presided over the AT&T breakup, had in 1990 denied the regional Bells' request to do that.

In favor of AT&T's contention that allowing the Bells to send channels signals beyond their geographic borders would hamper competition in the long distance market, Monday's Supreme Court ruling let Judge Greene's decision stand.

Under its new proposal, Ameritech would compete with AT&T and about 300 other companies.

The plan, which would allow consumers to pick their local carriers in much the same way they now pick long-distance carriers, would allow other companies in Ameritech's region to establish their own switching centers, connect directly to Ameritech's distribution network and provide dial tones to any customer.

(AP, UPI, Bloomberg)

Market Closed

The stock market in Sao Paulo was closed Monday for a holiday.

Table with columns: Class, High, Low, Prev. Close, Close, Change for Market Closed.

Handwritten text at the bottom of the page.

A Buyout In Works At Leyland

Agence France-Press
LONDON — Three senior managers from the Leyland DAF truck plant in northern England are planning a buyout to save the troubled factory, the managing director, John Gilchrist, said Monday. Mr. Gilchrist, 51, said the plan was dependent on the team's reaching an agreement with DAF Trucks NV in the Netherlands to distribute its DAF 45 light truck series on the continent.

Production restarted at the plant in Leyland, Lancashire early Monday following a three-week halt after its parent company, the British-Dutch combine DAF NV, collapsed and was put into administration. At the weekend, DAF Trucks, a new company formed to operate in the Netherlands and Belgium, said it would "seriously consider" a supply contract with the Lancashire works for its DAF 45 series light truck, if a new owner could be found for the British business.

Leyland DAF's operations also included an axle plant in Glasgow and a van plant in Birmingham. "We think the products coming out of this factory are of such a standard and quality that there is a very good potential to sell them into this market," DAF Trucks NV's chairman, Cor Baan, said on a BBC radio program.

A spokesman for the Leyland DAF receivers said: "We look forward to getting down to negotiations with the management buyout team."

Leyland DAF has shed one-third of its 5,500 workers in Britain this month since the administrators were called in at DAF's headquarters in Leyland and at Eindhoven, Netherlands.

EC Says U.S. Twists Truth on Procurement

Agence France-Press
BRUSSELS — The European Community on Monday accused U.S. trade negotiators of giving a false impression that the U.S. market for government contracts was more open to foreign competition than the equivalent market in EC countries.

The U.S. government has said that it will bar EC-based companies from bidding on most federal contracts on March 22 unless the Community ceases discrimination against American companies.

Commission officials said there were blatant distortions in a document produced by U.S. officials at a meeting with EC counterparts in Washington last week. The meeting aimed to settle the procurement quarrel before the U.S. ban comes into effect.

The U.S. officials had claimed that EC contractors had access to U.S. federal contracts worth twice as much as the equivalent opportunities offered in the Community to American companies.

But the commission officials argued that the value of public contracts open to all tenderers had doubled between 1985 and 1990 in EC countries while equivalent U.S. federal contracts had fallen 30 percent.

They also maintained that the U.S. figures did not take into account barriers to foreign tenderers for U.S. public contracts at state and city level. And they denied a U.S. claim that federal contracts worth more than \$150 billion were open to EC tenderers without restrictions, because 20 percent of such contracts must be given to local small and medium-sized businesses.

One official added that there were myriad technical, unofficial barriers that prevented European companies from tendering for U.S. federal contracts.

Norsk Hydro Rises From Red Tax Change and North Sea Oil Provide a Lift

Compiled by Our Staff From Dispatches
OSLO — Norsk Hydro A/S, Norway's biggest industrial company, said Monday that it had moved into profit in 1992 but only because of a change in its tax accounting system.

Net profit for Norsk Hydro, which is 51 percent owned by the Norwegian state, surged to 1.76 billion kroner (\$251.9 million), after a 1991 loss of 498 million kroner.

But Norsk Hydro said it would have posted a loss of 195 million kroner in 1992 if not for a change in the U.S. accounting principles that the company uses. The board proposed a dividend of 3 kroner for 1992, against 3.5 kroner in 1991.

The accounting changes freed up around 2 billion kroner of reserves which had been put aside for future tax obligations under the old accounting system.

"The 1992 result was strongly influenced by the weak world economy," said the Norsk Hydro president, Egil Myklebust. "There was a

sharp price drop for Hydro's main products from 1991 to 1992. "This has been offset by improvements in areas over which we ourselves have control, he said, "partly by improving our cost base, and partly by increasing oil production." Norsk Hydro's business covers agriculture, North Sea oil, light metals and petrochemicals.

The company's overall operating revenue fell to 58.06 billion kroner in 1992 from 60.61 billion in 1991. But operating income leapt to 2.88 billion kroner from 925 million.

About 90 percent of 1992 operating income came from North Sea oil and gas. North Sea output rose 16 percent to a record high of the equivalent of 8.5 million tons of oil, but average oil prices slipped to about \$19 a barrel from \$20.

The troubled agriculture division, the largest in terms of sales, narrowed its losses in 1992. Light metals swung to profit, while operating revenue from petrochemicals fell slightly.

The company posted a loss of 1.4 billion kroner in 1992 on currency movements, compared with a gain of 19 million in 1991. Mr. Myklebust said the rise of the dollar had caused large losses but that a stronger dollar would have a positive effect. (Reuters, Bloomberg, AFX)

LONDON — Royal Dutch/Shell Group said Monday that it would take a \$131 million (\$200 million) charge for the forward-trading currency losses of its 50 percent-held Showa Shell Sekiyu unit.

This will be offset by a credit of \$149 million due to a change in the accounting treatment of Showa Shell Sekiyu, which has been in place since Jan. 1, 1992, Shell said.

Earlier, Showa reported foreign-exchange losses of 125 billion yen (\$1.05 billion) since 1989.

Investor's Europe

Frankfurt DAX	London FTSE 100 Index	Paris CAC 40
1800	2800	2100
1700	2700	2000
1600	2600	1900
1500	2500	1800
1400	2400	1700
1300	2300	1600

Exchange	Index	Monday Close	Prev. Close	% Change
Amsterdam	CBS Trend	100.10	99.70	+0.40
Brussels	Stock Index	5,967.28	5,953.59	+0.23
Frankfurt	DAX	1,680.74	1,677.39	+0.20
Frankfurt	FAZ	685.75	657.70	+4.26
Helsinki	HEX	925.85	924.86	+0.10
London	Financial Times 30	2,198.00	2,200.80	-0.13
London	FTSE 100	2,838.30	2,840.00	-0.06
Madrid	General Index	232.20	233.20	-0.43
Milan	MIB	1,108.00	1,111.00	-0.27
Paris	CAC 40	1,959.23	1,937.17	+1.14
Stockholm	Affarsvaerlden	1,180.83	1,163.31	+1.51
Vienna	Stock Index	376.90	371.84	+1.33
Zurich	SBS	711.60	716.00	-0.61

FIAT: Corruption Scandal Ensnares 2 Key Executives

(Continued from page 1)
investigating magistrates Monday. There was no immediate word on the outcome of the inquiries, which centered on charges of illegal funding of political parties and complexity in corruption.

The arrests brought a halt to an 11-day surge in Fiat's stock price on the Milan exchange, where companies owned by the Agnelli family account for 12 percent of the market's capitalization. They also sent the market's MIB index down 3 points, to 1,108.

Since Feb. 11, Fiat ordinary shares had surged by 19 percent, from 4,520 lire to 5,385 lire (\$3.45), apparently on rumors that French or Japanese automakers or a German bank were about to buy a stake in Fiat. After news of the arrests Monday, Fiat stock tumbled nearly 3 percent, to 5,200 lire.

Fiat's Impresit construction subsidiary took over Cogefar in 1989. Even though the company's dealings first came under investigation last year, Fiat had managed to convey the impression that its top managers had no direct knowledge of corrupt practices, suggesting that any malpractice had taken place before the merger.

However, the arrest of Mr. Mattioli has struck at the very heart of Fiat's corporate structure. The 52-year-old lawyer, the scion of a prominent Italian banking family, was recruited for Fiat since 1975 and was considered a high-flyer.

Orders Shoot Up at Dassault

Compiled by Our Staff From Dispatches
PARIS — Dassault Aviation said Monday its orders nearly doubled in 1992, to 22.5 billion francs (\$4.06 billion), and industry sources said the gain was largely due to Taiwan's order of Mirage fighters.

A Dassault spokesman, expanding on the company's rise in 1992 sales reported in the government's official bulletin, said new orders had shot up from 12 billion francs in 1991, but would not say why.

The industry sources supplied the explanation, laying it to the order of 60 Mirage 2000-5 planes that has caused a diplomatic chill between Paris and Beijing.

Consolidated sales at Dassault, which is largely controlled by the French government since a recent reorganization of its capital structure, rose 3.1 percent in 1992 to 16.4 billion francs. Fourth-quarter consolidated sales slipped slightly to 6.06 billion francs. Dassault in October reported a first-half net profit of 111.1 million francs, 44 percent lower than a year earlier. (AFX, Bloomberg)

Very briefly:

- RTZ Corp.'s U.S. subsidiary, Keenecott Corp., said it had agreed to purchase Cordoro Mining Co., which operates the seventh-largest coal mine in the United States, from Sun Co. for \$120.5 million.
- Sun Alliance Group PLC's Codan Forsikring A/S unit confirmed that it had submitted a bid for two units of Hafnia Holding A/S, Hafnia Forsikring and Hafnia Bank; the price was not disclosed.
- Asda Group PLC said its 3-for-10 rights issue at 53 pence (74 cents) a share had been 94.3 percent subscribed.
- SGS-Thomson SA's new ownership — by CEA-Industries, France Telecom and Finmeccanica SpA of Italy — was approved by the EC Commission. The chipmaker had been controlled by Thomson CSF of France and Finmeccanica.
- Welsh Water, the privatized water company, said it had agreed to buy the British engineering consultancy Acer Group Ltd. for £56.1 million. (AFX, Bloomberg, Reuters, AFX)

NYSE

Monday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

(Continued)

12 Month High	Low	Div	Yld	PE	10B	High	Low	Latest Chg
IBM	110	5.00	4.0	15	150	110 1/8	109 3/4	+1/4
Microsoft	100	0.75	2.5	15	100	100 1/2	99 3/4	+1/4
Apple	100	0.75	2.5	15	100	100 1/2	99 3/4	+1/4

NYSE High-Lows

12 Month High	Low	Div	Yld	PE	10B	High	Low	Latest Chg
IBM	110	5.00	4.0	15	150	110 1/8	109 3/4	+1/4
Microsoft	100	0.75	2.5	15	100	100 1/2	99 3/4	+1/4

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12 Month High	Low	Div	Yld	PE	10B	High	Low	Latest Chg
IBM	110	5.00	4.0	15	150	110 1/8	109 3/4	+1/4
Microsoft	100	0.75	2.5	15	100	100 1/2	99 3/4	+1/4

MORGAN: After a Speedy Rise to Top, Broker Defends Its Role in Tokyo

(Continued from first finance page)
according to the Nikkei Newsletter on Bonds and Money. Solomon saw its Tokyo profit tumble 53 percent, to 7.4 billion yen, in the six months to September. Among the Japanese, only three of the top 13 brokerages squeaked by with pretax profits in the half.

The Nikkei average has fallen sharply from a December 1989 peak of just over 38,900, leading many investors to flee and volume to tumble from more than a billion shares a day to around 250 million. The Nikkei fell 189.42 yen Monday to 16,820.61.

Still, Mr. Parker says he is amazed at the ability of the Japanese financial system to absorb the losses. "If the U.S. market went to 1,200 on the Dow, and trading volumes went from 180 million to 40 million shares a day and stayed like that for 36 months, what do you think New York would look like?" he said.

Mr. Parker dismisses as ridiculous the notion that futures arbitrage, a type of trading in which foreign firms like Morgan have been successful, is responsible for the market's volatility and weakness. "Look at what's happened over the last 36 months," he said. "The

Bank of Japan raises interest rates six times. Tell me a market that doesn't go way down when that happens."

Mr. Parker also asks that critics keep Morgan's profits in perspective. "Look, in 1989, Yamaichi was the smallest of the Big Four and they made 10 times what we made last year," he said. "We're not talking about a lot of money here."

The Finance Ministry has been trying to bolster the market by imposing restrictions on futures activity, such as doubling commissions, cutting trading time, limiting price movements and raising margins.

In its most controversial move, the ministry has been investing hundreds of billions of yen of public money in stocks to keep prices from falling further. Mr. Parker believes the effort is doomed to fail.

The Finance Ministry "finally got rid of all the *nikkei* fund speculation and the *yukata* and all the weird trading stocks and now they have the government as the biggest stock speculator in the whole country using public pension funds to do it," he said.

"Get the government out and let the market fall to values where people want to own it," Mr. Parker said. "The market is still way overvalued. I've been saying for over a year and a half that the Nikkei is going down to 8,000."

12 Month High	Low	Div	Yld	PE	10B	High	Low	Latest Chg
IBM	110	5.00	4.0	15	150	110 1/8	109 3/4	+1/4
Microsoft	100	0.75	2.5	15	100	100 1/2	99 3/4	+1/4

12 Month High	Low	Div	Yld	PE	10B	High	Low	Latest Chg
IBM	110	5.00	4.0	15	150	110 1/8	109 3/4	+1/4
Microsoft	100	0.75	2.5	15	100	100 1/2	99 3/4	+1/4

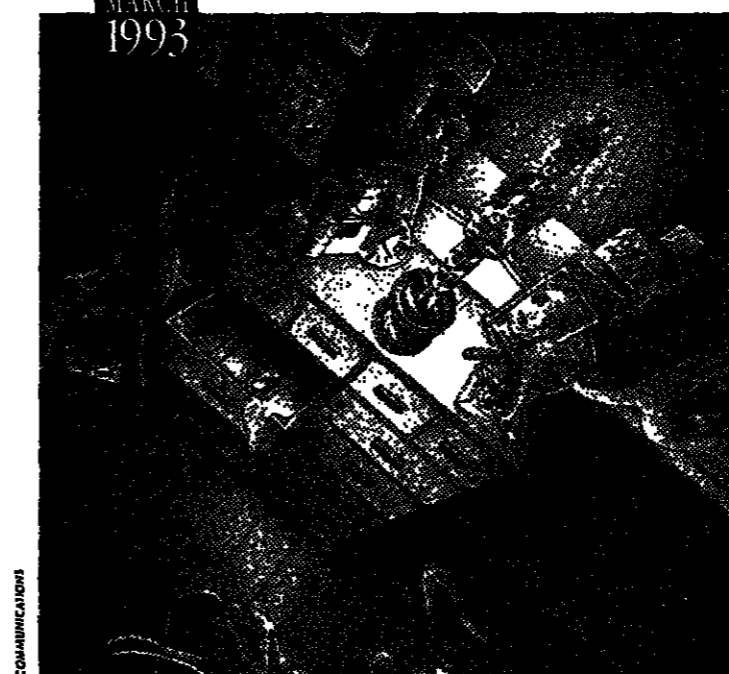
12 Month High	Low	Div	Yld	PE	10B	High	Low	Latest Chg
IBM	110	5.00	4.0	15	150	110 1/8	109 3/4	+1/4
Microsoft	100	0.75	2.5	15	100	100 1/2	99 3/4	+1/4

12 Month High	Low	Div	Yld	PE	10B	High	Low	Latest Chg
IBM	110	5.00	4.0	15	150	110 1/8	109 3/4	+1/4
Microsoft	100	0.75	2.5	15	100	100 1/2	99 3/4	+1/4

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Polish Privatization Pact

WARSAW — The government and eight major labor unions signed Monday a legislative package giving workers a say in how state-owned enterprises will be privatized.

The pact, subject to parliament's approval, includes tax, social-welfare and privatization laws regulating the transition to private ownership. The package is seen as an attempt by the seven-month-old government of Prime Minister Hanna Suchocka to stave off labor unrest and at the same time accelerate privatization.

The pact will give all state enterprises six months to decide their path to privatization. Options include public sale of shares, transfer of ownership to workers, finding a foreign or domestic investor, or giving a controlling share to a bank or an investment fund.

In all cases, employees will receive a free 10 percent of the shares in their enterprises. In large companies, employees will get board seats.

The pact includes debt relief for enterprises that cannot meet their liabilities because of defaulted payments by other companies.

Companies agreeing to be privatized will be offered various kinds of tax relief.

EAST: The Gold Rush Peters Out

(Continued from first finance page)

The share price, which opened at \$7 in September 1990, was down to \$3.75, for a discount of 47 percent.

Three coming privatizations will give more opportunity for investment for the fund, Mr. Sear said. A hotel chain owned by the Hungarian government, Danibus, a liquor company, Unicorn, and Global, a department store chain, are about to be listed on the Budapest stock exchange, he said.

Like the Austro-Hungarian Fund, the Hungarian Investment Fund, a \$100 million fund traded on the London Stock Exchange and managed by Stephen Wood of John Govett in London, has part of its portfolio in Fotelex and Styl.

But much of its investment is in nonquoted Hungarian companies including packaging companies and a company that has the franchises for Burger King in Hungary.

Mr. Wood said the net asset value was \$96.79 at the end of January, and the shares were trading at \$55.

Czechoslovakia Investment Corp., a \$30 million closed-end fund, is described by its manager, Roddy Sale at Fleming Investment Management in London, as the only fund operating in the Czech Republic and Slovakia that is available to the public.

Although Mr. Sale is finding few opportunities, work on the fund's first investment in the Czech Republic is nearly completed and the deal — in a textile company — will be announced soon, he said.

NASDAQ

Monday's Prices
NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

12 Month High	Low	Stock	Div	Yld	PE	100s	High	Low	Latest	Chg
14.00	13.00	AAVE	.00	0.00	13.00	100	13.50	13.00	13.50	0.50
12.00	11.00	AAEC	.00	0.00	11.00	100	11.50	11.00	11.50	0.50
10.00	9.00	AAFC	.00	0.00	9.00	100	9.50	9.00	9.50	0.50
8.00	7.00	AAFD	.00	0.00	7.00	100	7.50	7.00	7.50	0.50
6.00	5.00	AAFE	.00	0.00	5.00	100	5.50	5.00	5.50	0.50
4.00	3.00	AAFG	.00	0.00	3.00	100	3.50	3.00	3.50	0.50
2.00	1.00	AAFH	.00	0.00	1.00	100	1.50	1.00	1.50	0.50
1.00	.50	AAFI	.00	0.00	.50	100	.75	.50	.75	.25
.50	.25	AAFK	.00	0.00	.25	100	.37	.25	.37	.12
.25	.12	AAFL	.00	0.00	.12	100	.19	.12	.19	.07
.12	.06	AAFM	.00	0.00	.06	100	.09	.06	.09	.03
.06	.03	AAFN	.00	0.00	.03	100	.05	.03	.05	.02
.03	.01	AAFO	.00	0.00	.01	100	.02	.01	.02	.01
.01	.00	AAFP	.00	0.00	.00	100	.01	.00	.01	.00
.00	.00	AAFQ	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFR	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFS	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFT	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFU	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFV	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFW	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFX	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFY	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFZ	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFA	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFB	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFC	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFD	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFE	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFG	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFH	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFI	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFK	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFL	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFM	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFN	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFO	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFP	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFQ	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFR	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFS	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFT	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFU	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFV	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFW	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFX	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFY	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFZ	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFA	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFB	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFC	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFD	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFE	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFG	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFH	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFI	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFK	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFL	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFM	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFN	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFO	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFP	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFQ	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFR	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFS	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFT	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFU	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFV	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFW	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFX	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFY	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFZ	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFA	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFB	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFC	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFD	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFE	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFG	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFH	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFI	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFK	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFL	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFM	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFN	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFO	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFP	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFQ	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFR	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFS	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFT	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFU	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFV	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFW	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFX	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFY	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFZ	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFA	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFB	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFC	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFD	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFE	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFG	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFH	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFI	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFK	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFL	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFM	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFN	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFO	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFP	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFQ	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFR	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFS	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFT	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFU	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFV	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFW	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFX	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFY	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFZ	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFA	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFB	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFC	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFD	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFE	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFG	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFH	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFI	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFK	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFL	.00	0.00	.00	100	.00	.00	.00	.00
.00	.00	AAFM	.00	0.00	.00	100	.00	.00	.00	.00

China Fever Cools as Denway Flops

HONG KONG — Shares in a China-controlled company, Denway Investment Ltd., failed to satisfy expectations built up during a record offering period when trading began Monday, and analysts said the result could dampen enthusiasm for future Chinese issues.

Denway is the first company with significant carmaking interests to be listed on the Hong Kong Stock Exchange. A 95 percent-owned subsidiary of the company has a 46 percent interest in Guangzhou Peugeot Automobile Co., a joint-venture manufacturer of Peugeot sedans, station wagons and trucks in the southern Chinese city of Guangzhou.

In unofficial trading before Monday, prices for a package of one Denway share and one-fifth of a warrant had been trading between 2.70 and 3.00 dollars. Anyone who bought them would be facing a loss of 28 to 58 cents a share at Monday's close.

Bond Denies Plan To Make Deal to Exit Bankruptcy

PERTH, Australia — The failed Australian businessman Alan Bond on Monday denied a local newspaper report that he claimed he was negotiating a \$3 billion Australian dollar (\$2.1 billion) deal in Ukraine that would enable him to get out of bankruptcy.

The report, in Western Australia's Sunday Times, said Mr. Bond was negotiating the Ukraine deal for a 15 million Australian dollar fee that he could then offer to creditors to settle his bankruptcy.

"That whole story is without foundation," a spokeswoman for the businessman said. Mr. Bond went bankrupt in April 1992 after failing to honor a \$194 million guarantee on a nickel venture in Queensland.

The spokeswoman did confirm part of the newspaper story: Mr. Bond, 54, will undergo open-heart surgery to repair a leaking valve in his aorta Tuesday. (AP, Reuters)

European Unit Widens TNT's Loss

SYDNEY — The international transportation concern TNT Ltd. said Monday that its foreign-currency losses on borrowings and continuing problems at its European express-parcel joint venture dragged the company deeper into deficit in the latest six-month reporting period.

For the six months ended Dec. 31, the first half of TNT's financial year, the company's consolidated loss widened by nearly half to 74.5 million Australian

dollars (\$51.4 million). Revenue fell 19 percent to 2.81 billion dollars, reflecting the group's sale of 80 percent of its TNT Freightways Corp. in the United States and other debts. The debt-burdened company refused to disclose the total level of its debt at Dec. 31. However, borrowings totaling 1.26 billion dollars in the six months yielded a debt-to-equity ratio of 2.39 to 1, compared with 1.69 to 1 at June 30, 1992. A year earlier, TNT had predicted that it would reduce that ratio to 1 by the end of the current financial year, on June 30.

Lure of Asian Growth Powers Exodus From Australia

CANBERRA — In the last two years, Australia has had the largest exodus of people since the mid-1970s, with an increase in skilled workers going to work in the vibrant economies of Southeast Asia, the Bureau of Immigration Research said Monday.

A bureau report said that in the two-year fiscal period ending last June 30, more than 60,000 people left Australia permanently. That is equal to about 0.03 percent of the total population of about 18 million.

Of those emigrating, about 30 percent were skilled workers and nearly 32 percent were Australian-born natives, the bureau said. David Ward, a staff member who compiled the bureau's report, said that "the brain drain will need to be monitored, especially if departures continue to rise while Australia's immigration intake is reduced."

Mr. Ward said increasing numbers of native Australians were leaving to work in rapidly industrialized nations, such as Hong Kong, Singapore and Malaysia. Hong Kong was the

Malaysian Stock Draws Heavy Betting on China

Among its related companies, Kamunting Corp. rose 8 sen to 1.28, Dunlop Estates Bhd. gained 95 sen to 7.80 and Magnum Corp. picked up 70 sen to 10.60.

Analysts said the trading was related to renewed rumors that Magnum was moving closer to a gambling license in China.

A spokesman for Multi-Purpose said the company had no news about its bid for a license, and a spokesman for the Chinese Embassy here said he was not aware of any developments.

"This is within the normal limits," she said of Monday's trading. "It's a normal supply and demand situation. We do not query such things."

Magnum and Dunlop Estates already have been directed to report to the exchange every two weeks about the proposed China license. The last did so Feb. 17, reporting no new developments.

Taiwan Seeks Transfer Off-16 Technology

TAIPEI — Taiwan will seek aerospace technology from the United States as part of its purchase of 150 F-16 fighter jets for about \$6 billion, officials said Monday.

The government will ask the Lockheed Martin Corp. to provide local companies with technology to repair and produce parts for the F-16s when Taiwan executives visit Taiwan for talks next month.

Investor's Asia

Table with columns: Index, Monday Close, Prev. Close, % Change. Rows include Hong Kong Hang Seng, Singapore Straits Times, Tokyo Nikkei 225, etc.

Very briefly:

- Japan's Ministry of Finance said total redemptions of convertible and warrant bonds were forecast to rise to 11 trillion yen (\$92.4 billion) in 1993, from 4.8 trillion yen maturing in 1992.
Lung Kee (Bermuda) Holdings announced that its sale of 50 million new shares was some 310 times oversubscribed and had brought the company a total of about 17 billion Hong Kong dollars (\$2.2 billion).

Large table titled 'INTERNATIONAL FUNDS' containing numerous fund names, symbols, and performance data. Includes sub-sections for 'INTERNATIONAL FUNDS' and 'Other Funds'.

For information on how to list your fund, fax Simon OSBORN on (33-1) 46 37 21 33.

SPORTS BASEBALL

Lou Piniella's Primer On Schott and Loyalty

By Murray Chass

NEW YORK TIMES Staff Writer

PEORIA, Arizona — Lou Piniella's departure from the Cincinnati Reds occurred last October, but it began a year earlier.

"It was time for me to move on," Piniella said, sitting in his office here at the Seattle Mariners' new spring-training site. "I didn't like some of the things that were done there, and as a manager, I had a chance to come back or move on and I chose to move on."

Marge Schott, the Reds' owner, offered Piniella a two-year contract extension, but it was what he didn't offer in 1991 that precipitated his departure.

"It just wasn't fun," Piniella, the Mariners' new manager, said this weekend, speaking generally of the latter part of his three-year tenure as manager in Cincinnati. Then he cited the specific incident that prompted his decision to leave.

"The biggest thing that didn't leave a good taste was what happened when I had the problem with the umpires," he related. "When I got sued by the umpires, I got no backing from the organization. That started the wheels turning. I think any organization would back their manager. I got nothing financial or anything. I went back in '92 and fulfilled my contract, but when it came time to extend, I chose not to."

In August 1991, Piniella became enraged when Gary Darling, the home-plate umpire in a game against San Francisco, reversed a ruling by another umpire and deprived the Reds' Bill Doran of a home run. After the game, Piniella, he of the legendary temper, said that Darling was biased against the Reds. Two months later, Darling and the Major League Umpires Association filed a \$5 million defamation suit against Piniella.

"I realize I didn't say the right thing," Piniella said. "It was in the heat of battle. But I got no backing. I got in my crew. That was the big thing."

If such an incident had occurred when Piniella managed the New York Yankees, from 1986 to 1988, George Steinbrenner, a boisterous critic of umpires, would probably have hired the best lawyers — plural — for Piniella. But Schott, who on Feb. 3 was suspended from baseball for a year because of her demeaning racial and ethnic comments, has never had a history of expending money or words on her employees' behalf.

As one of her former employees explained Sunday, she reasoned that she didn't make the comment about Darling and therefore shouldn't have had to spend her money on a lawyer to defend Piniella. So Piniella spent his own money on a lawyer and the conflict was settled, with the lawsuit being dropped and the manager's issuing a statement praising umpires in general and Darling in particular, saying he regretted making comments "that may have maligned his character in any way."

Now, at the age of 49, with six years of managing behind him, Piniella has a new job with a three-year contract. He did not remain unemployed long once he informed Schott he would not return to Cin-

'I got no backing. It got in my crew. That was the big thing.'
Lou Piniella

cincinnati, although he had no job guarantee when he acted.

"My wife asked, 'What if you don't get another job?'" Piniella related. "I wasn't sure I would get one. Who knows? There are only 28 jobs. It was possible I could never have managed again. You have to take chances. If you're not willing to take chances, you never know."

If the Mariners or another team hadn't offered him a job, Piniella said, he was confident he could have found something to do in baseball. If not, the business world awaited. After his first season with the Reds, the one in which the team was in first place from first day to last, then breezed through the pennant playoff and the World Series, he told Schott he was prepared to become a businessman if she didn't raise his salary. She did, nearly doubling it, and he did it.

"I think I could have been an assistant to the general manager in a scouting, consulting sort of way," he said.

If no one else had offered a job, Piniella is certain his old friend, Steinbrenner, would have.

"The Yankees still have a special place," he said. "I was there a long time. If George didn't take a chance on me managing, I wouldn't be a manager. I like the guy. I really do. He's a pistol. I'm sure he likes me."

But now Piniella is the Mariners' 10th manager in their 17-year existence, an existence that has produced little life, with only one winning season (1991), which was followed by a disastrous last-place, 64-98 finish.

Woody Woodward, the Mariners' general manager, wanted Piniella because Piniella has been a winner, as a player and a manager. Winning is a foreign word to the Mariners.

"This is a first-class organization," Piniella said of Seattle. "We just have to bring a winning tradition to it. Other people before me failed. Last year they took a big step backward. That's why I'm here basically. I expect us to play well. I'm not looking at it as a rebuilding process. I'm looking at it as establishing a winning tradition."

As a player, Piniella was never a natural at anything, hitting, baserunning or playing the outfield. But intense work and concentration on his hitting mechanics made him a career .291 hitter, alertness made him a deceptively good baserunner and all-out effort enabled him to reach more fly balls than he was expected to catch. He made himself a winning player.

"It's a commitment, it's a dedication, it's a passion," he said, defining the start of a winning tradition. "You have to have the talent; the team has to be put together the right way, but I would describe it as a commitment and having pride in what you do."

Players, though, are the ones who create the winning, not the manager, he explained. As he talked, he took off the World Series ring he wore on his right hand. "I have my Yankee ring back on, the one from 1977," he said. "I'm back in the American League so I'll put my Yankee ring back on."

But isn't he proud of what he and the Reds accomplished in 1990? "I'm very proud of '90," he responded. "I'm exceedingly proud of '90 — what we accomplished and what the players did. But as a manager, I have to take a backseat. I'm there to supervise, hopefully contribute, but the players are the ones who deserve the credit."

Yet Piniella remains a compelling personality. Consider the most recent special aspect of his career. In the wake of his departure from the Yankees, Steinbrenner was suspended. No sooner did he leave the Reds than Schott was suspended. "Yeah," Piniella said, breaking into his eye-closing grin. "one's coming off suspension, the other's going on."



Gary Carter gave some catching tips to Charles Johnson at the Mariners' training camp. Carter, who had a long career with the Mets and Expos, will be in the Mariners' broadcasting booth this season.

Winfield Reports Early to Twins

The Associated Press

Dave Winfield is eager to start his career with the Minnesota Twins.

The outfielder, who will be 42 on the final day of the season, reported early Sunday to training camp at Fort Myers, Florida, after signing in December as a free agent.

"I got a lot of work to do and plenty of time to do it," he said. Winfield hit 290 for the World Series champion Toronto Blue Jays

last season with 26 homers and 108 RBIs. He even got the decisive hit of the World Series in the 11th inning of Game 6.

"Even if he tails off a little, that's still good production," said the Twins' manager, Tom Kelly.

At Dunnedin, Florida, the Blue Jays were talking about replacing Winfield's bat.

"The absence of a Dave Winfield will hurt, no doubt about it," hitting instructor Larry Hissie said.

"But we do have Paul Molitor, a young Ed Sprague and a young Derek Bell. I believe those three will offset the absence of a Dave Winfield and I think we should score as many runs as we did last year. Maybe more."

A few miles away, the Boston Red Sox were happy that Roger Clemens arrived when they asked him to: eight days after the voluntary reporting date last year, but before the mandatory date set by the collective bargaining agreement.

"I'm not here early. I'm not here late," Clemens said. "I don't know why it's such a big story. I mean if I was worried about needing to be ready, I'd get down here in January."

Clemens said Boston's 73-89 record last year and its first last-place finish since 1932 was part of the reason for his arrival.

"It's getting tougher and tougher to leave home and leave the troops behind," Clemens said, "but it would be good to get down here and get my mind set right on what needs to be done. How poorly we performed last year is a real good reason to get down here."

Around the World Record In Sailing Faces Battering

Reuters

LES SABLES D'OLONNE, France — The record for sailing around the world is likely to be broken three times in the next month, organizers of the Vendée Globe single-handed yacht race, said Monday.

They said Alain Gautier of France, who leads the race, is on course to break the record of 109 days, 8 hours and 48 minutes set by Titouan Lamazou of France when he won the race four years ago.

Gautier, who left Les Sables d'Olonne in western France on Nov. 22, is in the Atlantic less than 4,000 nautical miles from the finish, which he must reach before March 12 to beat Lamazou's time.

But his record might not last long. Philippe Poupon of France, who is lying second, had to return to the start for repairs after setting sail and finally left five days later. But he, too, is on course to break the record, organizers said, even if he does so without winning the race, which is a first-past-the-post affair.

A third Frenchman, Yves Parlier, also had to go back for repairs, and had set out again 10 days later. But organizers said he is setting the fastest pace of all and was four days inside the record time.

Furthermore, three faster catamarans set off from France at the end of January in a \$1 million challenge to beat the fictional 90-day trip by Jules Verne's character Phileas Fogg. They are due to return in April.

SIDELINES

Sivertsen Wins Nordic 10K Race

FALUN, Sweden (AP) — Sture Sivertsen of Norway won his first major individual title Monday, edging Vladimir Smirnov of Kazakhstan by 3.9 seconds in the 10-kilometer cross-country race in the World Nordic Ski Championships.

Sivertsen, upset after being dropped from Norway's team in the opening 30-kilometer race Saturday, trailed Smirnov at the six-kilometer mark but finished with a blistering pace. Sivertsen, 26, covered the classical-style race, held in perfect conditions under sunny skies, in 24 minutes, 51.6 seconds.

Vegard Ulvang, a three-time gold medalist in last year's Olympics in Albertville, France, was 6.5 seconds behind in third place.

Germany successfully defended its World Luge Championship team title in Calgary, Alberta, with Austria second and Italy third. (Reuters)

Kenya's Ngugi in Dispute With IAAF

NAIROBI (Reuters) — Kenya's five-time world cross-country champion, John Ngugi, faces a four-year ban by the International Amateur Athletic Federation for refusing to take a random dope test, a senior IAAF official said Monday.

John Weston, the leader of the IAAF's team of doctors, said that Ngugi refused to take a random test last week and that he was forwarding his report to the IAAF for action.

Ngugi, winner of the 1988 Olympics' 5,000-meter gold medal, said he had declined to take the test because the IAAF's team of doctors who visited his rural home at Nyahururu, 300 kilometers north of Nairobi, had failed to identify themselves.

Butch Reynolds, the 400-meter world record-holder coming back from a controversial 2½-year drug suspension by the IAAF, won at the U.S. national trials to gain a place on the 400-meter squad for next month's World Indoor Championships. (AP)

Lakers Trade Perkins to Sonics

SEATTLE (AP) — The Seattle SuperSonics acquired Sam Perkins from the Los Angeles Lakers on Monday in a trade for little-used center Benoit Benjamin and the rights to Doug Christie, the Pepperdine swingman who was a first-round pick in last June's draft but never signed.

The Santa Monica Outlook newspaper reported that the Lakers also were seeking a trade with the Dallas Mavericks for the rights to another unsigned rookie, Jim Jackson, of Ohio State. Dallas reportedly was seeking Laker center Viade Divac and rookie guard-forward Anthony Peeler in exchange for the rights to Jackson.

For the Record

The Tour de France in 1994 will start in the northern city of Lille on July 2, followed by the first stage to Armentieres the next day, it was announced Monday.

Lester Piggott, 57, the English jockey making a comeback from serious injury at the Breeders Cup meeting in the United States last November, withdrew Monday from the Hong Kong race meeting on Wednesday after receiving a facial cut from horse's head. (Reuters)

Phil Mickelton, cheered by a partisan gallery of family, friends and former schoolmates in La Jolla, California, won his hometown tournament, the Buick Invitational, with a 7-under-par 65 that beat runner-up Dave Rummels by four strokes. (AP)

Pat Clinton of Britain, the WBO flyweight champion, has postponed his March 6 fight in Glasgow, Scotland, against Jake Matlala of South Africa, because of a back injury. (Reuters)

Players Who Chose Arbitration Averaged Raises of 110%

NEW YORK — Judging by salary arbitration, times aren't tough in baseball.

The 118 players in arbitration increased their salaries by an average of 110 percent this winter, according to a survey.

The players increased their salaries from an average of \$756,911 to \$1,586,332, the survey showed. The increase of \$829,421 was the most in the 13-year history of arbitration, topping the previous record of \$714,644, set last year. The percentage increase topped last year's 100 percent and was below only the 113 percent increase in 1981.

Seventy-three players doubled their salaries, including 37 who tripled, 17 who got four-fold increases and five who increased their earnings five-fold. The number of players doubling was down by 11 from last year, when 157 players were in arbitration. The number who tripled was up by four, as was the number who quadrupled.

Futcher Greg Hibbard of the Chicago Cubs got the biggest increase, a 555 percent jump from \$210,000 to \$1,375,000. Hibbard was 10-7 with a 4.40 ERA last season for the Chicago White Sox. He was taken by the Florida Marlins in the expansion draft last Nov. 17, then dealt immediately to the Cubs.

Owners hate arbitration and want to elim-

inate it from the next collective bargaining agreement with the players' association despite a 12-6 advantage in decisions this year and a 199-160 lead since the process began in 1974. It's easy to see why from the results.

There were 111 players who got raises this year, three who got the same salary and four who took cuts: pitchers Jim Gott of Los Angeles, Erik Hanson of Seattle, Joe Magrane of St. Louis and David Wells of Toronto. Hanson lost his case before an arbitrator and Gott agreed to the decrease because he got a two-year deal; Magrane and Wells both got performance bonuses that could leave them with raises when the season is finished.

The six players who won their hearings got an average 174 percent increase from \$842,500 to \$2,308,333. The 12 who lost got an average 55 percent increase from \$878,542 to \$1,357,500. The 100 who settled got an average 113 percent increase from \$737,180 to \$1,570,472.

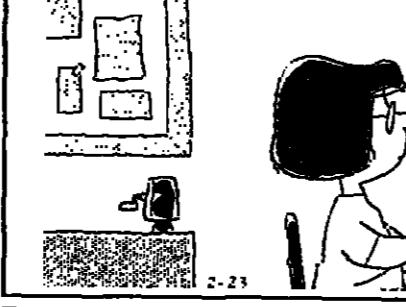
Fourteen players in arbitration agreed to multiyear contracts, up from 10 last year and the same as in 1991. Six other arbitration-eligible players agreed to multiyear deals before filing, topped by Ken Griffey Jr.'s \$24 million, four-year deal with the Seattle Mariners, the richest deal for a player with less than six years of major league service.

DENNIS THE MENACE



MY MOM SAYS TV IS A BOOK FOR PEOPLE WHO DON'T READ!

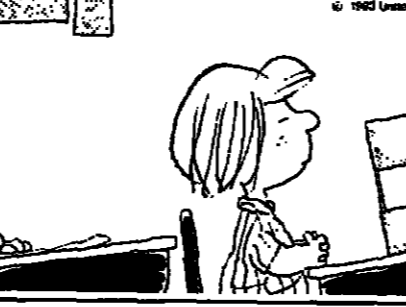
PEANUTS



BLONDIE

YUM! I COULD SMELL SPARFISHES AND SAUERKRAUT FROM OUTSIDE!

CALVIN AND HOBBES



WIZARD OF ID

MIRROR, MIRROR, ON THE WALL...

WHO IS THE GREATEST KING OF ALL?

KONG

JUNBLE

THAT SCRAMBLED WORD GAME

Unscramble these four letters. One letter from each forms four ordinary words.

DEEGH

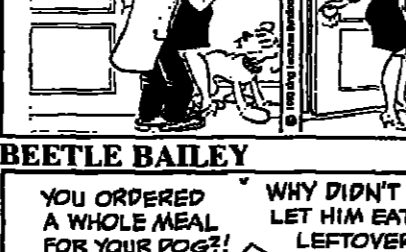
SOLOE

ELEVAN

DOURNA

Print answer here: A _____ IN _____

BEETLE BAILEY



YOU ORDERED A WHOLE MEAL FOR YOUR POG?

WHY DIDN'T YOU JUST LET HIM EAT YOUR LEFTOVERS?

DOONESBURY



HI, MAN, IS THIS THE BEST POGGOST HONEY?

IT IS! INDEED! GOOD GURRS.

THANKS. I GOT A CONSENTMENT FOR YOU, MAN.

GREAT. I'LL HELP YOU UNDER.

I APPRECIATE THAT, AND YOU'RE LOOKING AT 2000 LBS!

NO KIDDING? 2,300 LBS?

UH, MAN, I'M ANNOYED BECAUSE IT SETTLES IN SUREMENT, MAN.

THE GREAT THAT.

REX MORGAN



ARE WE EVER GOING TO HAVE A RELATIONSHIP, GARFIELD?

NAH, WE'RE DIFFERENT. YOU AND I.

YOU'RE NEAT. I'M A SLOB. YOU'RE REFINED. I'M JUST A REGULAR GUY. YOU'RE GENEROUS, KIND AND GIVING...

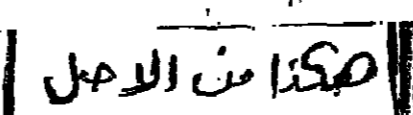
AND YOU DON'T WANT TO SHARE YOUR DINNERS?

BINGO, BABY. CAKES.

GARFIELD



To our readers in Switzerland it's never been easier to subscribe and save. Just contact us at our Zurich office. Phone: (01) 481 7200. Fax: (01) 481 8288



SPORTS

Shooting Is Real For Croatia Cagers Embattled Olympic Stars Now Struggle in War Zone

By Ian Thomsen International Herald Tribune SPLIT, Croatia — This country has earned little reward this harsh winter for the Olympic silver medal in basketball last summer...

said Naglic, the team captain. "We couldn't play European games in Croatia. We had to spend four months in Spain. My son was born last year while I was outside the country...

The most important thing is that we keep playing basketball. Mihovil Nakic, secretary-general of the Croatian Basketball Federation.

where he is or what has happened to him. When Croatia announced its independence in June 1991, and fought to defend itself against the former Yugoslav Army...

"This week we have two or three shells hitting Zadar," says the club director, Jure Kostia. "Our team starts training at 10:30 A.M. The shelling starts at the same time...

The 300-kilometer (185-mile) bus ride from Zadar to Zagreb takes seven hours, lengthened by the destruction of the Maslenica Bridge near Zadar...

The basketball federation imposes minimum budgets and salaries for its clubs. None are being enforced this year. The average salary in Croatia has shrunk to 10 percent of what it was before the war...

"Two years ago, says the club manager, Josip Bilic, he was negotiating with Montedison, the Italian ailing with Montedison, to sponsor the club under the name of Eurosegar...

NBA West Wins Heated All-Star Game in Overtime

O'Neal, Other Newcomers Add Intensity to Contest



John Stockton, who was co-MVP with Jazz teammate Karl Malone, got the attention of Michael Jordan, rear, and Isiah Thomas.

By David Aldridge Washington Post Service SALT LAKE CITY, Utah — It was fitting in an all-star weekend in which so much was made of the infusion of new stars into the National Basketball Association's showcase event...

And the 43rd All-Star Game, won by the Western Conference in overtime, 135-132, over the Eastern Conference, did have a different feel and intensity to it than many other recent such games.

First, there was defense. Not just a hard, but a cut defense. Hardened defense, switching off and double-teaming and rotating to cover open shooters...

The sellout crowd of 19,459 at the Delta Center in Salt Lake City got what it wanted Sunday: two hometown players, Malone and John Stockton of the Utah Jazz...

O'Neal scored 13 of his 14 points in the first half. He didn't play for most of the final quarter, while Ewing was on the floor, but he set the tone for the game with a hard foul on Robinson 29 seconds after the tipoff...

In the overtime, the West took control with a 10-2 run that overcame a two-point East lead and left the West up, 131-125, with 1:28 to go on a three-pointer from Charles Barkley of Phoenix (16 points)...

Robinson was fouled with 13.5 seconds left and made one of three free throws for a four-point West lead. Jordan missed at the other end, and the West had its second straight all-star victory, having won by 40 points last year.

But, he said: "That's all right. I'll be there next year." Next A Team in Toronto? Toronto may be the next city, and the first outside the United States, awarded an NBA franchise...

Jordan vs. Majerle: A Playoff Preview?

By Harvey Araton New York Times Service SALT LAKE CITY, Utah — The All-Star Game offered a preview of Dan Majerle, one of the best defenders in the National Basketball Association...

Naturally, once the West failed to take the game by missing free throws and Mark Price's 3-pointer made it 117-115, Jordan rose to the challenge. Isolating on Majerle (who had just made a foul shot) in the center of the court, he drove right for a 15-footer that made it 118-117...

Jordan said: "Sure, I would have put him on me. Listen, he's one of the best. He plays hard. He competes. He wears his heart on his sleeve. I don't know him very well, but when he guards me, I can feel the tension. I enjoy the challenge."

Chris Mills put Arizona ahead in the second half, which played much of the second half without center Ed Stokes because of foul problems, got the lead back at 54-52 on a 3-pointer by guard Damon Stoudamire.

Arizona Tops Cincinnati, Extending Streak to 17

Cincinnati overcame an early 15-point deficit before rallying to take the lead midway through the second half. But Arizona regained the lead on Mills's three-point play, which broke a 60-60 tie.

Arizona's Reggie Geary tied it with a loose-ball lay-up, Mills made it 63-60 with an offensive-rebound basket and the ensuing free throw, and Khalid Reeves hit a short jumper, giving the Wildcats a 65-60 lead.

Free throws by Mills, Reeves and Stoudamire down the stretch sealed the victory. No. 7 Duke 91, North Carolina

St. 82: Bobby Hurley tied his school record with 15 assists and made two key 3-point shots to put a damper on Jim Valvano's return to Reynolds Coliseum in Raleigh, North Carolina.

SCOREBOARD

Table with NHL Standings and Basketball scores for various teams like Pittsburgh, Washington, Los Angeles, etc.

THE AP TOP 25

Table listing top 25 college basketball teams including Indiana, Kentucky, North Carolina, etc.

BASKETBALL

Table listing major college basketball scores for teams like Delaware, Duquesne, Indiana, etc.

CRICKET

Table listing cricket match results including Third Test between India and England.

All-Star Stats table showing player performance metrics like points, rebounds, assists for various players.

Table showing All-Star Game results for the West and East teams, including player stats.

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ART BUCHWALD

Hey Nanny Nanny

WASHINGTON — A Washington lawyer friend of mine named Michael Specker called me in the middle of the night and said excitedly, "What do you think of this? I've been reading up on the new attorney general appointee, Janet Reno, who maintains that she doesn't have a 'nanny' problem because she has no children.



"Listen to this. She's got guts, she has integrity and doesn't take any stuff from anybody. Furthermore, she was a great state's attorney, she's single, and she has a mind of her own.

"There's more. She lived in a rustic cabin with her aged mother in the Everglades. Reno is crazy about the outdoors and enjoys hiking and canoeing and bird-watching."

"I said, 'Get to the point, Michael, it's 1 o'clock in the morning.'"

"Everyone agrees that she isn't as neat as a pin, but on the other hand she's not in favor of the death penalty nor is she pro-life — yet she follows the law."

"So?"

"I've been doing a computer search for a mate for her all evening, and I think that I've come up with the perfect match — Supreme Court Justice David Souter."

"You're crazy, Michael."

"Hear me out. Justice Souter lived alone in a house which he had rebuilt himself in New Hampshire with his aged mother."

"He likes hiking and nature and the outdoors. I couldn't find out if he was neat or not, but from what I've seen I wouldn't put him on any best-dressed list. He has a mind of his own and has come to many decisions that Reno agrees with, much to the horror of the conservatives on the court. What makes it an incredible situation is that they are both single."

"You've done your homework, Michael, but where are you going with all this?"

"I don't think it's a coincidence that Reno was selected. I believe that Hillary is behind it. Perhaps she persuaded Bill to appoint someone to the Justice Department who had the same résumé as a Supreme Court justice."

"It's an interesting match — so let's just follow through on it. Suppose Souter and Reno face each other in the court, their eyes lock, and it's love at first sight. Then they get married. You know what something like that could lead to?"

"Kids."

"Right, and what do kids lead to?"

"Souter and Reno need a nanny in order to fulfill their duties," Michael said. "Like most Americans they can't find one with a green card. I have a solution. They hire an illegal nanny and they get President Clinton to pardon her."

"That could work. What do you plan to do with all this matchmaking material?"

"I thought that you might plant it in the paper. It would give Souter and Reno something to think about."

"But they both like to live alone," I pointed out. "Won't matchmaking spoil their fun?"

"They could still be alone. They could alternate between New Hampshire and the Everglades and read each other's books."

"You've done wonderful work," I told Michael. "I'll send it to the Justice Department flag pole and see who salutes."

Britain Cuts Estimate Of Windsor Restoration

LONDON — Restoring Windsor Castle after a devastating fire in November will cost up to £40 million (about \$58 million), considerably less than the £60 million originally thought, the government said Monday.

Peter Brooke, the secretary of state for national heritage, said in a written parliamentary reply that "a very broad initial estimate of the costs of restoration suggests a figure in the range of £30 million to £40 million depending on the form of restoration." The Nov. 20 blaze destroyed much of the northeast wing.

Eric Clapton: The Music of Mourning

By Charles M. Young

NEW YORK — In a year characterized by the ragged flannel shirts, shapeless long hair and odd guitar tunings of grunge, Eric Clapton presented the most memorable image of 1992: a middle-aged man hunched over an acoustic guitar, singing quietly and sadly about death.

A huge hit that deals seriously with mourning, naked in its sentiment but unbesmirched by schmaltz, "Tears in Heaven," on the album "Unplugged," is rare in rock history. The Grammys have noticed with nine nominations.

After centuries as a major inspiration in folk music, death has made only sporadic appearances in rock 'n' roll. The melodramatic genre of "teen-age tragedy" produced a few hits in the early '60s, like "Last Kiss" by J. Frank Wilson. Every few years someone scores with a tribute song like "Missing You" by Diana Ross.

But true mourning has mostly been ignored and is plainly a subject whose time has come. So if "Unplugged" sweeps the Grammys on Wednesday, it won't be because the National Academy of Recording Arts and Sciences wants to compensate for having ignored Clapton's past accomplishments (among them: pioneering British blues and metal and introducing reggae to a mass audience with his cover of Bob Marley's "I Shot the Sheriff"). At 47, he is now speaking to his generation more effectively than he has in more than two decades.

On Aug. 27, 1990, a helicopter crash killed his friend, Stevie Ray Vaughan, and three members of Clapton's road crew after a concert in Alpine Valley, Wisconsin. Vaughan and Clapton had jammed that night and everyone agreed they were in top form. After long struggles with addiction, both had achieved sobriety to reclaim their position as the reigning blues guitarists of their generation. Then suddenly one of them was dead.

Less than a year later, Clapton's 4-year-old son, Conor, fell to his death from an unguarded window in his mother's Manhattan apartment. Under such dire circumstances, the basic questions of theology — "Why?" and "Where is he now?" — assume new urgency.

Almost folk art in its simplicity, "Tears in Heaven" offers no answers, just a tear in the face of "Why?" and poignant, hesitant hope for "Where is he now?"

Clapton wonders what's possible in heaven — will the departed know his name, be capable of friendship and love? And ultimately Clapton offers stoic strength, concluding that he won't belong in heaven just yet and will carry on with life.

"Unplugged" is one of the most surprising phenomena on the Billboard charts in several years. It is currently Warner Brothers' biggest-selling album, at four million in the United States and another four million overseas. It is Eric Clapton's biggest-selling record and a stark contrast to his 1991 live album, "24 Nights," a document of his annual concert series at the Albert Hall in London ("24 Nights" sold 250,000 on release, with the tally now 500,000 because of the influence of "Unplugged"). Many millions of people plainly have found something in Clapton's music that they didn't see in his recent past.

The chief musical appeal of "Unplugged" is the singing of someone who was called "God" by his fans for his electric guitar-playing since the early '60s. Clapton's voice has become an even more subtle instrument than his guitar. His understated phrasing is exquisite. So, unavoidably, "Unplugged" is easy listening.

The nine blues standards and five Clapton originals have an acoustic accompaniment that is even more understated than



After his son's death, Clapton poured his grief into his music.

Clapton's vocal. Baby boomers lost the habit of buying records as they started families but haven't lost the habit of reading their lives into songs; so it's the perfect album to get semi-balding mortgage-payers to brave a record store stuffed with young acolytes of Nirvana and Pearl Jam.

Clapton seems to have been born to sublimate. The son of a Canadian soldier who abandoned Eric's English mother shortly after his birth in 1945, he was raised by his grandparents, who tried to hide his illegitimacy.

In school, his education was typical of rock musicians: sensitive, artistic and physically weak. He considered himself an outcast and identified with a small group of social misfits who liked Buddy Holly.

His life was changed forever when he heard Robert Johnson for the first time, experiencing the pain of his own wounds and the eerie power of the musical genius from the distant Mississippi Delta. At 17, he picked up the guitar and practiced

fanatically and progressed fantastically, becoming the first of three great guitarists — the others being Jeff Beck and Jimmy Page — to lead the Yardbirds.

Though hugely influential for a million garage bands in rock than blues, and Clapton's punist instincts were not satisfied. Just as the band was taking off he quit to join John Mayall's Bluesbreakers, in which, in 1966, he recorded "Bluesbreakers, John Mayall With Eric Clapton," a classic of British blues. His creativity soon outstripped his purism, however, and he went on to found Cream, with Ginger Baker and Jack Bruce.

Although Clapton's reputation is built more on his sublime taste than on innovation (Jimi Hendrix was the revolutionary), Cream was the first power trio and expanded the boundaries of rock, jazz and blues. The guitar tone he achieved on "Fresh Cream" remains a sort of Holy Grail for heavy-metal aspirants. One can even see his taste: over the years, he has reinvented his appearance with almost every album and never looked silly — a claim that could be made for few others in rock.

Hopelessly infatuated with Party Boy, wife of his close friend George Harrison, Clapton poured the pain of unrequited love into the two-record album "Layla," recorded with a new band called Derek and the Dominos. The intensity was just this side of unbearable, and many of the songs remain staples of classic-rock radio.

The album also showcased his acoustic potential in the little-noticed but beautiful "Thorn Tree in the Garden." When the Dominos fell apart in 1971, unable to sustain their high level of creativity and drug intake, Clapton retreated for a couple of years into heroin addiction. He eventually beat his habit, but when he returned to recording, he preferred a more relaxed approach, scoring occasional hits with slow shuffles like "After Midnight."

By the early '80s, his career had faded not quite to obscurity but certainly to irrelevance. Even his legendary taste began to fail him, as he recorded a beer commercial just before going into rehabilitation for alcoholism in 1987.

Besides taste, Clapton's great strength has been passion, an ability to pour his present feelings into the ancient art form of blues, adhering to Ezra Pound's dictum of making it new. Without alcohol to anesthetize his pain, he has had no place to put it but in his music, making grief a little more bearable for the rest of the baby boom generation.

Charles M. Young, executive editor of Musician magazine, wrote this for The New York Times.

2 Films From 2 Chinas Share a 'Bear' in Berlin

The envelope, please. The Silver Bear winners are Denise Washington for best actor and Michelle Pfeiffer for best actress, at the Berlin International Film Festival — Washington for his portrayal of the title role in Spike Lee's "Malcolm X," and Pfeiffer for her role in Jonathan Kaplan's "Love Field." Both have been nominated for Oscars for the same roles. The festival's Golden Bear award for best film was shared by two Chinese-language films — only the second time in the festival's 43-year history that two films have shared the top honor. "The Wedding Banquet" from Taiwan, and "The Women from the Lake of Scattered Souls" from China, were picked from among 25 films in competition. British director Andrew Birkin was named best director for "The Cement Garden."

The bright lights of Broadway outshined California's sun in the wooing of David Letterman. CBS has announced it is buying the landmark Ed Sullivan Theatre for the late-night talk show star, who is leaving NBC this summer. But while New York will be Letterman's "permanent home," the network added that the show would make "extended visits" to Los Angeles. It reportedly is costing CBS \$4 million to buy the theater and the 14-story office building adjacent to it.

The American soprano Jessye Norman won the top prize in the 1992 Symphony Hall International Music Awards in Osaka, organizers said. Norman won the grand prize of 5 million yen (\$42,700) for her performance at a recital last September.

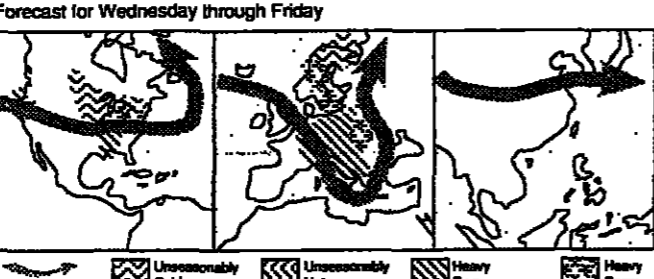
Those perennial bad boys Arf, Rose, Slash and the rest of Guns N' Roses begin a 26-concert North American tour Tuesday in Austin, Texas. Prince and his New Power Generation launch a tour March 8 in Fort Lauderdale, Florida. His Royal Purpleness will play in 10 cities.

INTERNATIONAL CLASSIFIED Appears on Pages 4 & 5

WEATHER

Table with weather forecasts for Europe, North America, Asia, Middle East, and Latin America. Columns include region, day, high, low, and conditions.

Forecast for Wednesday through Friday



North America: Snow and ice are likely in St. Louis Thursday and could reach Washington, D.C., Philadelphia and New York City Friday. In Atlanta, southerly winds will blow in today. Rain is likely late this week, while Chicago will be much colder than usual. Thursday, spreading snow toward Oslo and Stockholm. Snow will continue Friday.

CROSSWORD

Crossword puzzle grid with clues for Across and Down. Includes a solution to Puzzle of Feb. 22.

BOOKS

GATES: How Microsoft's Mogul Reinvented an Industry — and Made Himself the Richest Man in America. By Stephen Manes and Paul Andrews. 534 pages. \$25. Doubleday.

CHESS

Chess article featuring a diagram of a chessboard and text discussing a game between Spassky and Polgar.

PEOPLE

2 Films From 2 Chinas Share a 'Bear' in Berlin. The envelope, please. The Silver Bear winners are Denise Washington for best actor and Michelle Pfeiffer for best actress, at the Berlin International Film Festival.

AT&T

AT&T advertisement featuring a large image of a clock and the slogan 'Now good news can travel even faster.' Includes a list of international phone numbers.

Large advertisement for AT&T USA Direct Service, featuring a list of international phone numbers and the slogan 'Now good news can travel even faster.'